

DIVIDER

**STATE OF NORTH DAKOTA
INFORMATION TECHNOLOGY DEPARTMENT
SFN 2053 (4-2002)**

PU-2410-00-527

360networks (USA) inc.

Interexchange

Public Convenience & Nece

Filed 10/11/2000

Closed 12/21/2000

00

APPROVED

MOTION

DATE: 1-24-01
KMF

January 24, 2001

360networks (USA) inc.
Interexchange
Public Convenience & Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Case No. PU-2410-00-534

I move the Commission bill 360networks (USA) inc. for costs incurred to date in Case Nos. PU-2410-00-527, 360networks (USA) inc., Interexchange, Public Convenience & Necessity and PU-2410-00-534, 360networks (USA) inc., Local Exchange, Public Convenience & Necessity.



Public Service Commission

State of North Dakota

COMMISSIONERS

Bruce Hagen
President
Susan E. Wefald
Leo M. Reinbold

January 24, 2001

600 E Boulevard Ave. Dept. 408
Bismarck, North Dakota 58505-0480
e-mail: sab@oracle.psc.state.nd.us
TDD 800-366-6888
Fax 701-328-2410
Phone 701-328-2400

Executive Secretary
Jon H. Mielke

Lance J M Steinhart
6455 E Johns Crossing Ste 285
Duluth GA 30097

RE: Case No. PU-2410-00-527
360networks (USA) inc.
Interexchange
Public Convenience & Necessity

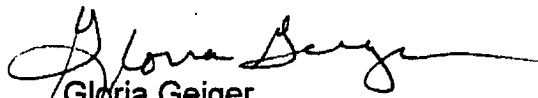
Case No. PU-2410-00-534
360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Enclosed is a copy of the statement approved at the January 24, 2001 Public Service Commission meeting for the expenses incurred to date in Case Nos. PU-2410-00-527 and PU-2410-00-534.

Under N.D.C.C. 49-21-01.7, these expenses are billed through the Valuation Fund and must be paid for by the telecommunications company involved.

Please make your check payable to the Public Service Commission.

Sincerely,


Gloria Geiger
Administrative Assistant
701-328-2401

Enc.

Billing Statement

January 24, 2001

360networks (USA) inc.
Interexchange
Public Convenience & Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Case No. PU-2410-00-534

Expenses Incurred to Date:

Advertising Costs	\$257.17
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Amount Due:

360networks (USA) inc.	\$257.17
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Send Payment To:

Public Service Commission
600 E Boulevard Ave Dept 408
Bismarck ND 58505-0480

Federal Tax ID 45-0309764

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

360networks (USA) inc.
Interexchange
Public Convenience & Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Case No. PU-2410-00-534

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **21st day of December, 2000**, she deposited in the United States Mail, Bismarck, North Dakota, **two** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and each containing a photocopy of:

Order

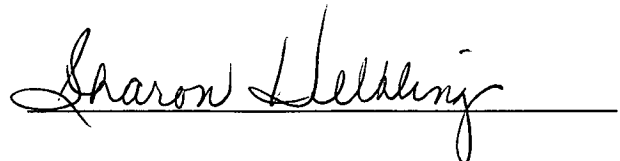
The envelope was addressed as follows:

Julie R Hawkins
360networks (USA) inc.
143 Union Blvd Ste 300
Lakewood CO 80228
Cert. No. 7000 0520 0022 8653 2952

Lance J M Steinhart
6455 East Johns Crossing Ste 285
Duluth GA 30097
Cert. No. 7000 0520 0022 8653 2969

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **21st day of December, 2000**.




Notary Public

SEAL

12 PU-2410-00-527 Pages: 2

Affidavit of Service by Certified Mail

by Public Service Commission

12/21/2000

CC: Comm Legal Illona Jerry

CHARLENE A. MAGSTADT
Notary Public, State of NORTH DAKOTA
My Commission Expires Jan. 7, 2004

PU-2410-00-527

Copies To:

State Library (8 copies)

Historical Society

Associated Press

APPROVED:
DATE: 12-20-00
KMF

MOTION

December 20, 2000

**360networks (USA) inc.
Interexchange
Public Convenience and Necessity**

Case No. PU-2410-00-527

**360networks (USA) inc.
Local Exchange
Public Convenience and Necessity**

Case No. PU-2410-00-534

I move the Commission adopt the Order and issue Certificates of Public Convenience and Necessity to 360networks (USA) inc. to provide local and interexchange telecommunications services throughout North Dakota, Case Nos. PU-2410-00-527 and PU-2410-00-534.

JRL/sdh

000527-51.doc

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

360networks (USA) inc.
Interexchange
Public Convenience and Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience and Necessity

Case No. PU-2410-00-534

ORDER

December 20, 2000

On October 11, 2000, in Case No. PU-2410-00-527, 360networks (USA) Inc. filed an application for a certificate of public convenience and necessity to provide facilities-based interexchange telecommunications services throughout North Dakota.

On October 13, 2000, in Case No. PU-2410-00-534, 360networks (USA) Inc. filed an application for a certificate of public convenience and necessity to provide facilities-based local exchange telecommunications services throughout North Dakota.

On October 25, 2000, the Commission issued a Notice of Opportunity for Hearing in these cases, which provided until November 30th for receiving comments or hearing requests. No comments or requests for hearing were received regarding either application. The notice identified the following issues to be considered:

1. Fitness and ability of the applicant to provide service.
2. Adequacy of the proposed service.
3. The technical, financial and managerial ability of the applicant to provide service.

On October 31, 2000, the Public Service Commission's Director of Accounting filed a memorandum indicating that 360networks (USA), Inc. has the financial ability to provide telecommunications service.

360networks (USA), Inc. is a Nevada Corporation headquartered at Lakewood, Colorado and a wholly owned subsidiary of 360networks, Inc., also a Nevada Corporation. 360networks (USA), Inc. is in the process of obtaining nation wide authority and has been certified in several states and has not been denied authority in any state. Biographical information provided by 360networks (USA), Inc. indicates that its management and key personnel have extensive telecommunications experience.

The Commission finds 360networks (USA), Inc. is fit, able, and has the technical, financial and managerial ability to provide service.

Although 360networks (USA), Inc. intends to eventually offer local exchange services, it will focus initially on providing non-switched dedicated and private line high-capacity fiber optic transmission and access services to other carriers and internet service providers. 360networks (USA), Inc. has already begun work to install a fiber optic network in North Dakota. The Commission finds 360networks (USA), Inc.'s proposed service is adequate.

In this Case, as in other cases in which statewide authority was requested, the Commission will adhere to the precedent established in the AT&T certificate case, Case No. PU-453-96-83. In AT&T, the Commission held that its determination of the public interest with regard to the service territories of rural telephone companies is subject to any future proceedings under Section 251(f)(1) or (2) of the Telecommunications Act of 1996 (47 U.S.C. §251(f)(1) or (2)). The Commission also held that granting the certificate on a statewide basis is not a ruling that affects the rights of specific rural telephone companies under 47 U.S.C. §251(f).

Order

The Commission Orders:

1. The applications of 360networks (USA), for certificates of public convenience and necessity to provide facilities-based competitive local exchange and interexchange services throughout North Dakota is GRANTED.
2. Granting 360networks (USA), Inc. a certificate to provide local exchange service on a statewide basis does not affect the rights of rural telephone companies under 47 U.S.C. §251(f).

PUBLIC SERVICE COMMISSION

		
Susan E. Wefald Commissioner	Bruce Hagen President	Leo M. Reinbold Commissioner

STATE OF NORTH DAKOTA

Certificate of Public Convenience and Necessity

Certificate Number 4607

This is to certify that public convenience and necessity require, and permission is granted for 360networks (USA) inc., a telecommunications public utility, to provide statewide interexchange (toll) telecommunications services, with facilities, in North Dakota.

This certificate is issued in Case No. PU-2410-00-527 and is conditioned upon 360networks (USA) inc. securing the franchise or other authority of the proper municipal or other authority for the exercise of these rights and privileges.

Bismarck, North Dakota, December 20, 2000.

ATTEST:

PUBLIC SERVICE COMMISSION


Executive Secretary


Commissioner

INFORMAL AGENDA

December 6, 2000

PU-2410-00-527 360networks (USA) inc.
Interexchange
Public Convenience and Necessity

PU-2410-00-534 360networks (USA) inc.
Local Exchange
Public Convenience and Necessity

PU-2417-00-548 James Valley Cooperative Telephone Company
Local Exchange
Public Convenience and Necessity

PU-418-00-555 BEK Communications Cooperative
Designated Eligible Carrier
Application

PU-418-00-556 BEK Communications Cooperative
Local Exchange
Public Convenience and Necessity

PU-401-00-593 Otter Tail Power Company
WAPA Bill Crediting Program
Tariff

PU-2453-00-632 Park Avenue Apartments
Master Meter Waiver
Approval

With drawn

8

PU-2410-00-527

Pages: 1

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal Illona Jerry .

11

PU-418-00-555

Pages: 0

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal PUD (3)

10

PU-2410-00-534

Pages: 0

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal Illona Jerry .

13

PU-418-00-556

Pages: 0

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal PUD (3)

13

PU-2417-00-548

Pages: 0

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal PUD (3)

4

PU-401-00-593

Pages: 0

Informal Hearing held
by Public Service Commission
12/06/2000 CC: Comm Legal PUD (3)

Affidavit of Publication

State of North Dakota)

County of Burleigh)

DEC -

Laurie Thid

, being duly sworn, state as follows:

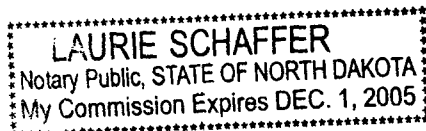
1. I am the designated agent, under the provisions and for the purposes of, Section 31-04-06, NDCC, for the newspapers listed on the attached exhibits.
2. The newspapers listed on the exhibits published the advertisement of:
360 networks, 1 time(s)
as required by law or ordinance.
3. All of the listed newspapers are legal newspapers in the State of North Dakota and, under the provisions of Section 46-05-01, NDCC, are qualified to publish any public notice or any matter required by law or ordinance to be printed or published in a newspaper in North Dakota.

Signed:

Laurie Thid

Subscribed and sworn to before me this 13th day of November A.D. 2000.

Laurie Schaffer



7 **PU-2410-00-527**

Pages: 11

Affidavit of Publication

by North Dakota Advertising Service, Inc.

12/04/2000

CC: Comm Legal Ilona Jerry.

9

PU-2410-00-534

Pages: 11

Affidavit of Publication

by North Dakota Advertising Service, Inc.

12/04/2000

CC: Comm Legal Ilona Jerry.

10

PU-2417-00-548

Pages: 11

Affidavit of Publication

by North Dakota Advertising Service, Inc.

12/04/2000

CC: Comm Legal PUD (3)

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

360networks (USA) inc.
Interexchange
Public Convenience & Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Case No. PU-2410-00-534

James Valley Cooperative Telephone Company
Local Exchange
Public Convenience & Necessity

Case No. PU-2417-00-548

AFFIDAVIT OF SERVICE BY CERTIFIED MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **26th day of October, 2000**, she deposited in the United States Mail, Bismarck, North Dakota, **three** envelopes with certified postage, return receipt requested, fully prepaid, securely sealed and each containing a photocopy of:

Notice of Opportunity for Hearing

The envelope was addressed as follows:

Julie R Hawkins
360networks (USA) inc.
143 Union Blvd Ste 300
Lakewood CO 80228
Cert. No. 7099 3400 0014 4513 7337

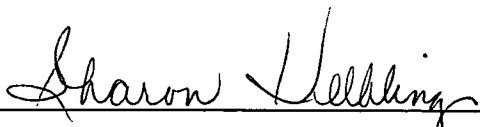
Lance J M Steinhart
6455 East Johns Crossing Ste 285
Duluth GA 30097
Cert. No. 7099-3400 0014 4523 7375

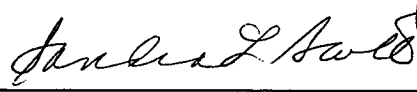
Kent Hyde
Hyde & Allred Law Office LLP
1001 1st Ave SE
Aberdeen SD 57401-4702
Cert. No. 7099-3400 0014 4523 7436

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **26th day of October, 2000**.

SEAL





Notary Public



STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

360networks (USA) inc.
Interexchange
Public Convenience and Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience & Necessity

Case No. PU-2410-00-534

James Valley Cooperative Telephone Company
Local Exchange
Public Convenience & Necessity

Case No. PU-2417-00-548

AFFIDAVIT OF SERVICE BY ORDINARY MAIL OR E-MAIL

STATE OF NORTH DAKOTA
COUNTY OF BURLEIGH

Sharon Helbling deposes and says that:

she is over the age of 18 years and not a party to this action and, on the **26th day of October, 2000**, she deposited in the United States Mail, Bismarck, North Dakota, envelopes by first class mail, fully prepaid, securely sealed, each containing a photocopy of:

Notice of Opportunity for Hearing

The envelopes were addressed as follows:

See Attached List

Each address shown is the respective addressee's last reasonably ascertainable post office address.

Subscribed and sworn to before me
this **26th day of October, 2000**.



A handwritten signature of Sharon Helbling in cursive script, written over a horizontal line.

A handwritten signature of Sandra L. Scott in cursive script, written over a horizontal line.

5

PU-2410-00-527

Pages: 13

Affidavit of Service by Ordinary Mail or
E-Mail
by Public Service Commission

10/26/2000

CC: Comm Legal Illona Jerry .

PU-2410-00-527

Copies To:

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Historical Society

Associated Press

wahlgren@rus.usda.gov
Wayne Ahlgren

bberkenpas@rus.usda.gov
Barb Berkenpas

wbrudvik@ohnstadlaw.com
William Brudvik

donlee@martin-associates.com
Don Lee

jxpet23.uswest.com
Janis Peterson

lisestrom@dwt.com
Lise Strom

harumiyamamoto@dwt.com
Harumi Yamamoto

ruth.holder@teligent.com
Ruth Holder

nlarsen@nvc.net
Clint Hanson
Accent Communications Inc
235 E 1st Ave
Groton SD 57445

j1chapman@acomminc.com
Jerry Chapman
Acomm Inc
510 1st Ave N Ste 203
Minneapolis MN 55403-0343

smassey@bepc.com
Sheryl Massey
Basin Electric Power Coop
1717 E Interstate Ave
Bismarck ND 58501-0564

jtmgr@bektel.com
Jerome Tishmack
BEK Communications Cooperative
PO Box 230
Steele ND 58482-0230

jtmgr@bektel.com
Jerome Tishmack
BEK Communications I Inc
PO Box 230
Steele ND 58482-0230

ken@staff.ctctel.com
L Dan Wilhelmson
Consolidated Comm Networks Inc
PO Box 1077
Dickinson ND 58601-1077

ken@staff.ctctel.com
L Dan Wilhelmson
Consolidated Telcom Inc
PO Box 1077
Dickinson ND 58601-1077

ken@staff.ctctel.com
L Dan Wilhelmson
Consolidated Telephone Cooperative
PO Box 1077
Dickinson ND 58601-1077

drtc@drtel.net
Darren Moser
Dickey Rural Telephone Cooperative
PO Box 69
Ellendale ND 58436-0069

glenn.richards@shawpittman.com
Glenn Richards
Glenn Richards
ShawPittman
2300 N St NW

rlaqua@rrv.net
Ronald Laqua
Halstad Telephone Company
PO Box 55
Halstad MN 56548-0055

dclark@hq.idt.net
Diane Clark
IDT America, Corp.
520 Broad St 7th Fl
Newark NJ 07102

kander@ictc.com
Keith Anderson
Inter-Community Telephone Co. II
PO Box 8
Nome ND 58062-0008

nschmid@acginc.net
Neil Schmid
Ionex Communications North Inc
5710 LBJ Frwy Ste 215
Dallas TX 75240

Michel.Murray@MCI.com
Michel Murray
MCI WorldCom Inc
707 17th St Ste 3600
Denver CO 80202

john_sullivan@cable.comcast.com
John Sullivan
McLeodUSA

meredith.gif @gecapital.com
Meredith Gifford
GE Capital Comm Services Corp
6540 Powers Ferry Rd
Atlanta GA 30339

cooperstown@mlgc.com
Ray Brown
Griggs County Telephone Company
Cooperstown ND 58425

hold@texas.net
Dana Wilson
Home Owners Long Distance Inc
8647 Wurzbach Rd #M-1
San Antonio TX 78240-1245

kander@ictc.com
Keith Anderson
Inter-Community Telephone Co
PO Box 8
Nome ND 58062-0008

itci@means.net
Bruce Reuber
Interstate Telcom Consulting Inc
130 Birch Ave W
Hector MN 55342-0668

skat@means.net
Steven Katka
Loretel Systems Inc
13 E 4th Ave
Ada MN 56510

skillebrew@deltacom.com
Sharon Killebrew
McLeodUSA

wheaston@mcleodusa.com
William Heaston
McLeodUSA
P O Box 3177
Cedar Rapids IA 52406-3547

amy.ibis@dtg.com
Amy Ibis
McLeodUSA
140 North Phillips Ave Ste 404
Sioux Falls SD 57104-6711

sbunn@mlgc.com
Shelie Bunn
Moore & Liberty Telephone Co
Enderlin ND 58027

dhill@ndarec.com
Dennis Hill
ND Assn Rural Electric Coops
PO Box 727
Mandan ND 58554-0727

lclemens@nft.net
Larry Clemens
Noonan Farmers Tele Co
Noonan ND 58765

cajuul@norstan.com
Cathy Juul
Norstan Network Services Inc
P O Box 5715
Minnetonka MN 5534333-57

klund@nccray.com
Kenneth Lund
Northwest Communications Corp
PO Box 38
Ray ND 58849-0038

jram@erols.com
John Ramsey
Parcel Consultants Inc
150 Commerce Rd
Cedar Grove NJ 07009

ddunning@polarcomm.com
David Dunning
Polar Telcom Inc
PO Box 270
Park River ND 58270-0270

gerrya@midrivers.com
Gerry Anderson
Mid-Rivers Telephone Coop Inc
PO Box 280
Circle MT 59215-0280

hfuglest@ndarec.com
Harlan Fugelsten
ND Assn Rural Electric Coops
PO Box 727
Mandan ND 58554-0727

pschaner@ndarec.com
Patti Schaner
ND Assn Rural Electric Coops
PO Box 727
Mandan ND 58554-0727

rer@norlight.com
Robert E Rogers
NorLight Inc
275 N Corporate Dr
Brookfield WI 53045

pagndta@btigate.com
Patricia Gisinger
North Dakota Telephone Assoc
PO Box 2614
Bismarck ND 58502-2614

royce@restel.net
Royce Aslakson
Parcel Consultants Inc
150 Commerce Rd
Cedar Grove NJ 07009

ddunning@polarcomm.com
David Dunning
Polar Commun Mut Aid Corp
PO Box 270
Park River ND 58270-0270

ddunning@polarcomm.com
David Dunning
Polar Telecommunications Inc
PO Box T
Park River ND 58270

jvonduyke@phoneforall.com
Jeff Walker
Preferred Carrier Services Inc
14681 Midway Rd Ste 105
Dallas TX 75244

pam@tnics.com
Pamela Harrington
RC Communications Inc
PO Box 197
New Effington SD 57255-0197

ardondoran@rrt.net
Ardon Doran
Red River Telecom Inc
PO Box 136
Abercrombie ND 58001-0136

mbrestel@ndak.net
Marcia Burckhard
Reservation Telephone Cooperative
Parshall ND 58770

warrenlh@srttel.com
Warren Hight
Souris River Tele Coop
PO Box 2027
Minot ND 58702-2027

stevedl@srttel.com
Steve Lysne
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

lynnan@srttel.com
Lynn Nelson
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

davidrs@srttel.com
David Smith
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

protel@citil .com
Scott Lee
Protel Advantage Inc
1144 Larpeur Ave W
St Paul MN 55113-6317

ardondoran@rrt.net
Ardon Doran
Red River Rural Tele Assoc
PO Box 136
Abercrombie ND 58001

jdbtbb@ndak.net
Jan Boschee
Reservation Telephone Cooperative
Parshall ND 58770

pam@tnics.com
Pamela Harrington
Roberts Cty Tele Coop Assoc
New Effington SD 57255

suelh@srttel.com
Sue Hamilton
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

christm@srttel.com
Chris Morsefield
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

johnar@srttel.com
John Reiser
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

kimrw@srttel.com
Kim Weydahl
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

mdickers@state.nd.us
Marcy Dickerson
State Tax Department
State Capitol
Bismarck ND 58505

clarson@telegroup.com
Caroline Larson
Telegroup Inc
2098 Nutmeg Ave
Fairfield IA 52556

thomasc@totaltel.com
Tom Carroll
TotalTel Inc
150 Clove Rd 8th Fl
Little Falls NJ 07424

maryg@uslink.net
Mary Goodman
U S Link Inc
200 2nd St
Pequot Lakes MN 56472

kjvannin@usgs.gov
K Vannin
U S Geological Survey

ralyana@uswest.com
Richard Alyanak
U S WEST

smacint@uswest.com
Scott Macintosh
U S WEST Communications Inc
PO Box 5508
Bismarck ND 58502-5508

saberry@uswest.com
Sharon Berry
U S WEST Communications Inc
409 1st Ave N
Fargo ND 58102-4802

grndelec@iw.
Darrell Henuerson
Stateline Telecomm Inc
PO Box 39
Bison SD 57620-0039

bgreene@magicnet.net
Barbara Greene
Telephone Co of Central Florida Inc
3599 W Lake Mary Blvd Ste E
Lake Mary FL 32746-3417

bpipkin@touch1.com
Leigh Ann Wooten
Touch 1 Long Distance Inc
100 Brookwood Rd
Atmore AL 36502

lahall@usgs.gov
Lenora Hall
U S Geological Survey

afranklin@us-south.net
Anne Franklin
U S South Communications Inc
250 Williams St Ste 2360
Atlanta GA 30303

kblicke@uswest.com
Kent Blickensderfer
U S WEST Communications Inc
PO Box 5508
Bismarck ND 58502-5508

jmunnn@uswest.com
John Munn
U S WEST Communications Inc
1801 California Rm 5100
Denver CO 80202

sschwan@uswest.com
Suzy Schwandt
U S WEST Communications Inc.
P O Box 5508
Bismarck ND 58502-5508

johng@unidial.com
John Greive
UniDial Communications Inc
1901 Eastpoint Pkwy
Louisville KY 40223

tsusak@vocall.com
Tony Susak
VoCall Communications Corp
284 Sheffield St
Mountainside NJ 07092

pihland@means.net
Paul Ihland
Wolverton Telephone Company
Wolverton MN 56594

kander@ictc.
Keith Anderson
Valley Communications Inc
P O Box 8
Nome ND 58062

bonniek@westriv.com
Bonnie Krause
West River Telecomm Coop
PO Box 467
Hazen ND 58545-0467

Myer Shark
2277 Gene Autry Trail Unit C
Palm Springs CA 92264

Ann Faught
Absaraka Co-op Tele Co
Absaraka ND 58002

Mark Waind
Altru Health System
1200 South Columbia Rd
Grand Forks ND 58201

Arch Paging
11437 Valley View Rd
Eden Prairie MN 55344

Jack Medaris
Atlas Communications LTD
484 Norristown Rd Ste 123
Blue Bell PA 19422

Jennifer Whitley
Business Discount Plan Inc
3780 Kilroy Arpt Wy
Long Beach CA 90806

Scott Geston
Cable One of Fargo
P O Box 10624
Fargo ND 58106-0624

Choctaw Communications Inc
1600 Viceroy
Dallas TX 75235

Comcast Telecommunications
1500 Market St
Philadelphia PA 19102

Murray Barr
Competitive Strategies Group Inc
70 East Lake St 7th Fl
Chicago IL 80112

Myer Sharl
Knollwood Place Apts #221
3630 Phillips Pkwy
St Louis Park MN 55426

ACN Communications Services Inc
32991 Hamilton Ct
Farmington Hills MI 48334

John Summers
AmeriTel Pay Phones Inc
8201 Tristar Dr
Irving TX 75063-2816

Leeann Brunnette
AT&T
321 E Walnut St
Des Moines IA 50309

Dorothy Jones
Bell Atlantic Communications Inc
1320 N Courthouse Rd 9th Fl
Arlington VA 22201

John Session
Cable & Wireless Comm Inc
8219 Leesburg Pike
Vienna VA 22182

Charles Steese
Charles W Steese
U S WEST
1801 California St Ste 5100
Denver CO 80202

Robert Fallan
Coast International
14303 W 95th St
Lenexa KS 66215-5210

Molli Harper
Commnet Cellular Inc
8350 E Crescent Pkwy Ste 400
Englewood CO 80111

Elaine McHale
Concert Communications Sales LLC
295 N Maple Ave Rm 5463A2
Basking Ridge NJ 07920

D D D Calling Inc
5120 Woodway Ste 8020
Houston TX 77056

Robert Hill
Dakota Central Telecom I
PO Box 299
Carrington ND 58421-0299

DSLnet Communications LLC
545 Long Wharf Dr
New Haven CT 06511

Excel Communications Inc
8750 N Central Expswy Ste 2000
Dallas TX 75231

Framco Inc
P O Box 2711
Fargo ND 58108

Craig Brewerton
Geo Economics
PO Box 4272
Missoula MT 59806-4272

Group Long Distance Inc
6600 N Andrews Ave Ste 140
Ft Lauderdale FL 33309

IdeaOne Telecom Group LLC
3239 39th St SW
Fargo ND 58104

Sue Weiske
Ionex Communications North Inc
5710 LBJ Frwy Ste 215
Dallas TX 75240

Larry Barnes
IXC/SSC-Regulatory Affairs
1122 S Capital of TX Hwy
Austin TX 78746-6426

Robert Hill
Dakota Central Tele Coop
PO Box 299
Carrington ND 58421-0299

Dickey Rural Communications Inc
PO Box 69
Ellendale ND 58436-0069

Easton Telecom Services Inc
4646 W Streetsboro
Richfield OH 44286

Lawrence Freedman
Fleischman & Walsh
1400 16th ST NW
Washington DC 20036

Ronald Rodemerk
Frontier Comm International
180 S Clinton Ave
Rochester NY 14646-0500

Lucille Nilson
Griggs County Telephone Company
Cooperstown ND 58425

HJN Telecom Inc
3235 Satellite Blvd Bldg 400 Ste 300
Duluth GA 30096

Lance Sentman
International Telcom Ltd
417 2nd Ave W
Seattle WA 98119

Nanette Edwards
ITC DELTACOM INC
4092 Memorial Pkwy SW
Huntsville AL 35802-1382

Katherine E Ford
U S WEST
1801 California St Ste 5100
Denver CO 80202

Thomas K Crowe
Law Offices of Thomas K Crowe PC
2300 M St NW Ste 800
Washington DC 20037

LCI International Telecom Corp
4650 Lakehurst Ct
Dublin OH 43017

LDM Systems Inc
430 Park Ave 5th Fl
New York NY 10022

Level 3 Communications LLC
3555 Farnam St
Omaha NE 68131

Jan Lowe
Long Dist Consolidated Billing Co
145 S Livernois Rd #199
Rochester MI 48307-1837

Marilyn Foss
MCI WorldCom Inc
707 17th St Ste 3600
Denver CO 80202

MCImetro Access Transmission Services
1801 Pennsylvania Ave NW
Washington DC 20006

McLeodUSA
P O Box 3177
Cedar Rapids IA 52406-3177

Carolyn Fodor
MIDCOM Communications Inc
26913 Northwestern Hwy #165
Southfield MI 48034

Midcontinent Communications
410 South Phillips Ave
Sioux Falls SD 57104

Mid-Rivers Telephone Coop Inc
P O Box 280
Circle MT 59215

Gordon Wilhelmi
Midstate Communications Inc
PO Box 400
Stanley ND 58784-0400

Mark Wilhelmi
Midstate Telephone Co
PO Box 400
Stanley ND 58784-0400

Minnesota Independent Equal Access
Corp
10300 6th Avenue N
Plymouth MN 55441

Mike Strand
MITS
PO Box 5237
Helena MT 59604-5237

MVX Communications LLC
100 Rowland Way Ste 145
Novato CA 94945

Dave Crothers
NDATC
Box 1144
Mandan ND 58554-1144

Richard Thronson
Nemont Telephone Cooperative Inc
Scobey MT 59263

Sharon Meinhart
NetLogix Telecom Inc
501 Bath St
Santa Barbara CA 93101

Net-tel Corporation
1023 31st St NW
Washington DC 20007

Sandra Adams
NewPath Holdings Inc
4364 114th St
Des Moines IA 50322

Nextel West Corp
2001 Edmund Halley Dr
Reston VA 20191-3436

Dave Dircks
North Dakota Telephone Company
PO Box 180
Devils Lake ND 58301-0180

Holly Sasscer
Operator Communications Inc
3530 Forest Ln Ste 200
Dallas TX 75234-7910

Patrick Delaney
Overlook Communications International
1325 North Meadow Pkwy #S110
Roswell GA 30076

Pamcomm
P O Box 5200
Sioux Falls SD 57117-5200

Bryan Engle
Parcel Consultants Inc
150 Commerce Rd
Cedar Grove NJ 07009

Primus Telecommunications Inc
1700 Old Meadow Rd 3rd Fl
McLean VA 22102

Jan Sebyy
Pringle and Herigstad P C
PO Box 1000
Minot ND 58702-1000

Quintelco Inc
1 Blue Hill Plaza
Pearl River NY 10965

Heather Troxell
Qwest Communications Corporation
4250 Fairfax Dr
Arlington VA 22203

Dean Polkow
RCC Network Inc
PO Box 2000
Alexandria MN 56308-2000

RCN Long Distance Company
105 Carnegie Ctr
Princeton NJ 08540

Gene Sloan
Reservation Telephone Cooperative
Parshall ND 58770

Sandra Adams
NewPath Holdings Inc
4364 114th St
Des Moines IA 50322

Skyland Technologies Inc
P O Box 5237
Helena MT 59604-5237

Lisa Dabkowski
SNET America Inc
6 Devine St 1st Fl
North Haven CT 06743

Andrew Jones
Sprint
8140 Ward Pkwy Flr 5E
Kansas City MO 64114

Randy Burckhard
SRT Communications Inc
P O Box 789
Minot ND 58702-0789

Harris Saele
T P C Inc
PO Box 180
Devils Lake ND 58301-0180

Target Telecom Inc
1515 S Federal Hwy Ste 400
Boca Raton FL 33432-7451

Thomas Cirrito
Telco Communications
1100 Wilson Blvd Ste 1425
Arlington VA 22209-2297

Al Bosch
Tele-Beep Company
PO Box 7072
Bismarck ND 58502-7072

Liz Petroni
Teltrust Comm Services Inc
6322 S 3000 East
Salt Lake City UT 84121

Kenneth Carlson
Turtle Mountain Communications
PO Box 729
Langdon ND 58249-0729

Dick Boyer
U S West Interprise America Inc
1999 Bdwy Rm 700
Denver CO 80202

Sam Billingsley
United States Advanced Network Inc
3000 Nrothwoods Pkwy Ste 140
Norcross GA 30071

Dennis Houston
Universal Network Services of ND
1572 North Batavia St Ste 1A
Orange CA 92867

USBG Inc
5601 W 120th St
Alsip IL 60658

Randy Houdek
Venture Communications Inc
PO Box 157
Highmore SD 57345-0157

Regulator Analyst
Technologies Management Inc
PO Drawer 200
Winter Park FL 32790-0200

Jack Medaris
Telco Partners Inc
484 Norristown Rd Ste 123
Blue Bell PA 19422

Tele-Tech Inc
2900 W 11th St
Sioux Falls SD 57104-3660

T-Netix Inc
67 Inverness Drive E
Englewood CO 80112

Richard Alyanak
U S WEST Communications Inc
1801 California St Rm 4700
Denver CO 80202

Giuseppe Vitale
UKI Communications Inc
500 N Rainbow Blvd Ste 300
Las Vegas NV 89107

Kenneth Carlson
United Telephone Mut Aid Corp
Langdon ND 58249

Telecomm Dept
University of North Dakota
Box 8193
Grand Forks ND 58202-7141

Val-Ed Joint Venture LLP
150 2nd St SW
Perham MN 56573

Mick Grosz
West River Communications Inc
PO Box 467
Hazen ND 58545-0467

Doris Cooper
West River Long Distance Co
PO Box 467
Hazen ND 58545-0467

Mick Grosi
West River Telecomm Coop
PO Box 467
Hazen ND 58545-0467

Western CLEC Corporation
3650 131st Ave SE #400
Bellevue WA 98006

Z-Tel Communications Inc
601 S Harbour Island Blvd Ste 220
Tampa FL 33602-5925

Helbling, Sharon D.

From: Helbling, Sharon D.
Sent: Thursday, October 26, 2000 9:15 AM
To: 'ndna'
Subject: Notice of Opportunity for Hearing, Case Nos. PU-2410-00-527; PU-2410-00-534; PU-2417-00-548

Please have the attached Notice of Opportunity for Hearing published as a legal publication in the next issue of the ten North Dakota daily newspapers. Could you also run it as a "News Item Only" article.

Direct the bill to the Public Service Commission along with a tear sheet for billing purposes.

If you have any questions, please call me at 328-4076.

Thank you.

**Sharon Helbling
Public Utilities Division**

alert.txt

APPROVED:
DATE: 10-25-00
KMF

MOTION

October 25, 2000

**360networks (USA) inc.
Interexchange
Public Convenience and Necessity**

Case No. PU-2410-00-527

**360networks (USA) inc.
Local Exchange
Public Convenience and Necessity**

Case No. PU-2410-00-534

**James Valley Cooperative Telephone Company
Local Exchange
Public Convenience and Necessity**

Case No. PU-2417-00-548

I move the Commission issue a Notice of Opportunity for Hearing in the applications of 360networks (USA) inc. for Certificates of Public Convenience and Necessity to provide local and interexchange telecommunications services throughout North Dakota, Case Nos. PU-2410-00-527 and PU-2410-00-534; and in the application of James Valley Cooperative Telephone Company for a Certificate of Public Convenience and Necessity to provide local exchange telecommunications services in the Hecla, South Dakota exchange, serving North Dakota customers, Case No. PU-2417-00-548.

JRL/sdh

000527-2.doc

STATE OF NORTH DAKOTA
PUBLIC SERVICE COMMISSION

360networks (USA) inc.
Interexchange
Public Convenience and Necessity

Case No. PU-2410-00-527

360networks (USA) inc.
Local Exchange
Public Convenience and Necessity

Case No. PU-2410-00-534

James Valley Cooperative Telephone Company
Local Exchange
Public Convenience and Necessity

Case No. PU-2417-00-548

NOTICE OF OPPORTUNITY FOR HEARING

October 25, 2000

On October 11, 2000, in Case No. PU-2410-00-527, 360networks (USA) Inc. filed an application for a certificate of public convenience and necessity to provide facilities-based interexchange telecommunications services throughout North Dakota.

On October 13, 2000, in Case No. PU-2410-00-534, 360networks (USA) Inc. filed an application for a certificate of public convenience and necessity to provide facilities-based local exchange telecommunications services throughout North Dakota.

On October 18, 2000, in Case No. PU-2417-00-548, James Valley Cooperative Telephone Company, using the trade name "James Valley Telecommunications", filed an application for a certificate of public convenience and necessity to provide facilities-based local exchange telecommunications services to North Dakota customers served from the Hecla, South Dakota exchange.

The issues to be considered in this matter are:

1. Fitness and ability of the applicant to provide service.
2. Adequacy of the proposed service.
3. The technical, financial and managerial ability of the applicant to provide service.

Those interested are invited to comment on this application in writing. Persons desiring a hearing must file a written request identifying their interest in the proceeding and the reasons for requesting a hearing. Comments and requests for hearings must

be received by **November 30, 2000**. If deemed appropriate, the Commission can determine the matter without hearing.

For more information contact the Public Service Commission, State Capitol, Bismarck, North Dakota 58505, 701-328-2400; or Relay North Dakota 1-800-366-6888 TTY. If you require any auxiliary aids or services, such as readers, signers, or Braille materials please notify Jon Mielke, Executive Secretary.

PUBLIC SERVICE COMMISSION



Susan E. Wefald
Commissioner

"ABSENT"

Bruce Hagen
President



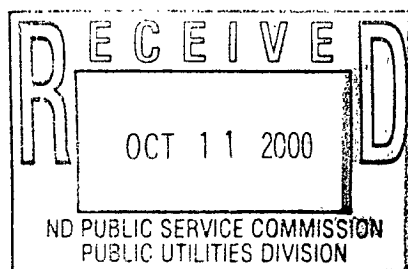
Leo M. Reinbold
Commissioner

360networks inc.

143 Union Boulevard
Suite 300
Lakewood, Colorado
80228

(t) 303.854.5000
(f) 303.854.5100
www.360.net

October 10, 2000



Sharon Helbling
Public Service Commission
600 E. Boulevard Ave. Dept. 408
Bismarck, ND 58505-0480

RE: Application for a Certificate of Public Convenience and Necessity

360networks (USA) inc. presents original and seven (7) copies of the enclosed Application for a Certificate of Public Convenience and Necessity.

An extra copy of this filing is enclosed to be date-stamped and returned to us in the self-addressed, postage-paid envelope enclosed.

If you have any questions regarding this filing, please contact the undersigned.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Julie R. Hawkins'.

Julie R. Hawkins
Assistant General Counsel
360networks (USA) inc.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF NORTH DAKOTA

In the Matter of)	
)	
Application of 360networks (USA) inc.)	Docket No.
for a Certificate of Public)	
Convenience and Necessity to)	
Provide Facilities-Based Interexchange)	
Telecommunications Services in the)	
<u>State of North Dakota</u>)	

APPLICATION OF 360NETWORKS (USA) INC.
FOR A CERTIFICATE OF PUBLIC CONVENIENCE AND NECESSITY

360networks (USA) inc. (“Applicant” or “360networks”), a Nevada corporation, hereby submits this Application to the North Dakota Public Service Commission (“Commission”) pursuant to North Dakota Century Code § 49-03.1-03 for a Certificate of Public Convenience and Necessity to operate as a Telecommunications Services Provider offering resold¹ and facilities-based interexchange service throughout the State of North Dakota. In support of this Application, the following information is provided:

1. CONTACTS

Inquiries regarding this Application should be directed to Applicant’s Counsel:

Julie R. Hawkins, Esq.
Assistant General Counsel
360networks (USA) inc.
143 Union Blvd., Suite 300
Lakewood, Colorado 80228
T: (303) 854-5000
F: (303) 464-3591

¹ Applicant’s registration form to provide resold interexchange services was filed with the Commission on 10/09/00.

Copies of any correspondence should also be sent to the following designated representative of the Applicant:

Julie R. Hawkins
Assistant General Counsel
360networks (USA) inc.
143 Union Blvd., Suite 300
Lakewood, Colorado 80228

Ms. Hawkins will also serve as the contact person responsible for and knowledgeable about the Applicant's operations.

The toll free number to call for customer care, once service has commenced in North Dakota, is the nationwide number - 1-877-735-7366.

2. ORGANIZATION AND OWNERSHIP OF APPLICANT

Applicant was incorporated in 1998 to provide local, long distance and enhanced communications services.² Applicant is certified to transact business as a foreign corporation in the state of North Dakota.³ Applicant maintains its principal place of business at 143 Union Blvd., Suite 300, Lakewood, Colorado 80228.

3. DESCRIPTION OF SERVICES

Applicant will operate as a facilities-based provider of technologically advanced dark fiber and related infrastructure as well as high bandwidth, fiber optic transmission capacity. Applicant offers broadband network and co-location services to telecommunications companies, Internet service providers, application service providers, and data-centric enterprises. 360networks is completing a technologically advanced 90,300 kilometer (56,100 mile) network linking 90 major cities, including a fiber optic terrestrial network in North America and Europe, with undersea cables linking North America, South America and Europe. The Applicant and its predecessors have been

² 360networks (USA) inc.'s Articles of Incorporation is attached as A

³ 360networks (USA) inc.'s Certificate of Authority and Certificate of Good Standing from North Dakota are attached as B . An original of the Certificate of Authority was submitted with the reseller registration filed on 10/09/00.

developing communications networks since 1988.

Applicant's network will utilize state-of-the-art fiber optic strands which allow for the high speed, high quality transmission of data, video and voice communications. Applicant plans to install an average of 144 fiber optic strands on major builds throughout the network, and may install as many as 264 fibers or more in high demand areas. The advanced technical operating characteristics of the network will enable Applicant to provide technologically advanced dark fiber to customers at low cost by permitting higher capacity transmission over longer distances between regeneration and amplifier facilities. The network is currently compatible with the highest commercially available transmission capacity (OC-192) and can accommodate advanced capacity-intensive data applications such as Frame Relay, ATM, multimedia and Internet related applications.

4. MANAGERIAL AND TECHNICAL QUALIFICATIONS

Applicant possesses the technical and managerial qualifications required to provide telecommunications services throughout the State of North Dakota. Applicant is certified to provide resold and facilities-based long-distance telecommunications services in numerous states.⁴ Applicant is managed by an able team of officers who have many years of combined experience in the telephony field.⁵ This successful operational experience is evidence of Applicant's technical and managerial capability to deliver the services discussed above in a fashion that is satisfactory to consumers.

5. FINANCIAL QUALIFICATIONS

Applicant also possesses adequate financial resources to provide the proposed services. The

⁴ These states are Alabama, Arizona, California, Colorado, Delaware, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, Nevada, New Mexico, New York, North Carolina, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Vermont, Virginia, Washington, Wisconsin, and Wyoming.

⁵ Brief Biographies of the officers of 360networks are attached as Exhibit C.

Applicant does not have financial documents separate from the parent company, 360networks inc (formerly Worldwide Fiber, Inc.). However, the parent company is well financed and will make available to the Applicant all assets.⁶

6. GEOGRAPHIC AREA OF SERVICE/OTHER UTILITIES

Applicant will provide long distance services throughout the State of North Dakota. A list obtained from the Public Service Commission's Internet website, of other utilities certified to provide long distance telecommunications in the region is attached as **E**.

7. CONCLUSION

In light of the foregoing, Applicant respectfully submits that the public interest, convenience and necessity would be served by a grant of this Application for a Certificate of Public Convenience and Necessity to operate as a facilities-based Telecommunications Service Provider throughout the State of North Dakota. Applicant respectfully requests that the Commission grant the Certificate of Public Convenience and Necessity without hearing.

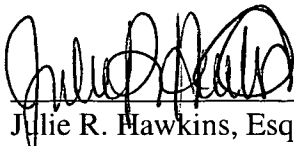
⁶ 360networks inc. consolidated financial statements as of December 31, 1999 are attached as Exhibit **D**.

DATED this ____ day of _____, 2000.

Respectfully submitted,

360NETWORKS (USA) INC.

By:

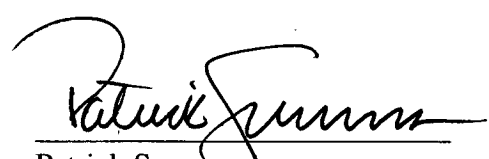
A handwritten signature in black ink, appearing to read "Julie R. Hawkins", written over a horizontal line.

Julie R. Hawkins, Esq.
Assistant General Counsel
143 Union Blvd., Suite 300
Lakewood, CO 80228

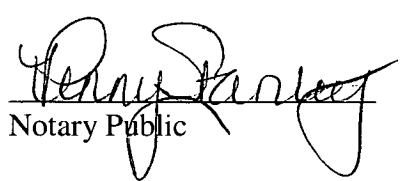
STATE OF COLORADO)
COUNTY OF BOULDER)

VERIFICATION

Patrick Summers, being first duly sworn under oath, states that he is Vice President, General Counsel of 360networks (USA) inc., that he has read the foregoing Application and that the matters stated therein are true to the best of his knowledge and belief.


Patrick Summers
Vice President, General Counsel

SUBSCRIBED and SWORN
to before me this 10th day
of October, 2000.


Notary Public

PENNY STANLEY
NOTARY PUBLIC
STATE OF COLORADO
My Commission Expires 10/04/2003

EXHIBIT A

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

JUN 07 2000
No. 013871-98
Dean Heller
DEAN HELLER, SECRETARY OF STATE

CERTIFICATE OF AMENDMENT

OF

ARTICLES OF INCORPORATION

OF

WORLDWIDE FIBER NETWORKS, INC.

WORLDWIDE FIBER NETWORKS, INC., a corporation organized and existing under the laws of the State of Nevada, and its Articles of Incorporation originally filed with the Secretary of State for the State of Nevada on June 12, 1998, DOES HEREBY CERTIFY:

FIRST: That by written consent of the Board of Directors of Worldwide Fiber Networks, Inc., the following resolutions were duly adopted:

RESOLVED, that Article I of the Articles of Incorporation be amended as follows:

I. NAME

The name of the corporation is **360networks (USA) Inc.**

SECOND: The total number of outstanding shares having voting power of the corporation is 200, and the total number of votes entitled to be cast by the holders of all of said outstanding shares is 200.

THIRD: The holders of all of the aforesaid total number of outstanding shares having voting power, to wit, shares, dispensed with the holding of a meeting of the stockholders and adopted the amendment herein certified by a consent in writing signed by all of them.

DATED this 25th day of May, 2000.

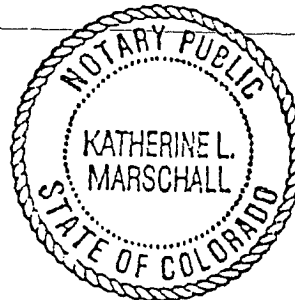
WORLDWIDE FIBER NETWORKS, INC.By: 

Jerry Tharp, President

By: 

Ron Stevenson, Secretary

PROVINCE OF Colorado)
CITY OF Denver)



My Comm. Expires 1-9-2001

On this 25 day of May, 2000, personally appeared before me, a Notary Public, JERRY THARP, who acknowledged to me that he executed the foregoing CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION OF WORLDWIDE FIBER NETWORKS, INC.

Katherine L. Marshall
NOTARY PUBLIC

PROVINCE OF British Columbia)
CITY OF Vancouver)

On this 25th day of May, 2000, personally appeared before me, a Notary Public, RON STEVENSON, who acknowledged to me that he executed the foregoing CERTIFICATE OF AMENDMENT OF ARTICLES OF INCORPORATION OF WORLDWIDE FIBER NETWORKS, INC.

Ron Stevenson
NOTARY PUBLIC

04/07/99 10:51

FILED 15:18
THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

APR 01 1999

C13871-98

DEAN HELLER, SECRETARY OF STATE

ARTICLES OF MERGER

These Articles of Merger are made this 23rd day of March, 1999, between Pacific Fiber Link Por-Sac, Inc., a Nevada corporation (sometimes referred to herein as the "Nevada Corporation" or the "Surviving Corporation") and Pacific Fiber Link, LLC, a Washington limited liability company (sometimes referred to herein as the "Washington LLC" or the "Merged Company").

RECITALS

A. The Nevada Corporation is a corporation duly organized and existing under the laws of the State of Nevada with its registered office located at 1575 Delucchi Lane, Ste. 224, Reno, Nevada 89502.

B. The Washington LLC is a limited liability company duly organized and existing under the laws of the State of Washington with its registered office located at 1420 Fifth Avenue, Ste. 3510, Seattle, Washington 98101-4031.

C. The Nevada Corporation and the Washington LLC deem it desirable and in their best interests that the Washington LLC be merged into the Nevada Corporation in accordance with the provisions of Chapter 92A of the Nevada Revised Statutes.

I.

An agreement and plan of merger has been approved and adopted by the Nevada Corporation, through its board of directors, and submitted and approved by its stockholders pursuant to Chapter 92A of the Nevada Revised Statutes as set forth below:

Designation of Shares:	Common
Number of Votes Entitled to be Cast:	100
Number of Votes for Plan:	100
Number of Votes Against Plan:	0

The number of votes of the stockholders for the plan was sufficient for approval.

II.

An agreement and plan of merger has been approved and adopted by the Washington LLC, through its managing member and management committee, and submitted and approved unanimously by its sole member possessing a 100% membership interest, pursuant to the laws of the State of Washington.

III.

The Articles of Incorporation of the Surviving Corporation shall continue to be its Articles of Incorporation, except that according to the agreement and plan of merger Article I is amended to read:

I. NAME

The name of the corporation is WORLDWIDE FIBER NETWORKS, INC.

IV.

The complete executed agreement and plan of merger is on file at the registered office of the Surviving Corporation 1575 Delucchi Lane, Ste. 224, Reno, Nevada 89502.

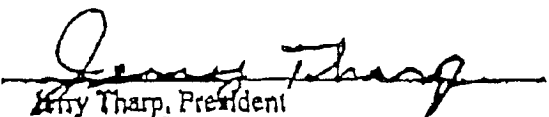
V.

On the effective date of the merger, the separate existence of the Merged Company shall cease, and the Surviving Corporation shall succeed to all the rights, privileges, immunities, and franchises, and all the property, real, personal, and mixed, of the Merged Company, without the necessity for any separate transfer. The Surviving Corporation shall thereafter be responsible and liable for all liabilities and obligations of the Merged Company, and neither the rights of creditors nor any liens on the property of the Merged Company shall be impaired by the merger.

VI.

The merger takes effect upon the filing of these Articles of Merger.

PACIFIC FIBER LINK FOR-SAC, INC.

By: 
Amy Sharp, President

By: 
Ron Stevenson, Secretary

STATE OF Colorado
COUNTY OF Adams) ss.

On this 26 day of March, 1999, personally appeared before me, a Notary Public, JERRY THARP, who acknowledged to me that he executed the foregoing ARTICLES OF MERGER.

Lorraine Head
NOTARY PUBLIC

~~PAVKE~~
STATE OF British Columbia
COUNTY OF Vancouver) ss.

On this 23rd day of March, 1999, personally appeared before me, a Notary Public, RON STEVENSON, who acknowledged to me that he executed the foregoing ARTICLES OF MERGER.

Bruce Tattle
NOTARY PUBLIC
BRUCE TATTLE
SOLICITOR & NOTARY
MURPHY & MURPHY
P.O. Box 4500
1111 West Columbia Street
Vancouver, B.C. Canada V7E 1E9

CONSENT RESOLUTION
OF
BOARD OF DIRECTORS
OF
WORLDWIDE FIBER (USA), INC.

The undersigned being the members of the Board of Directors of Worldwide Fiber (USA), Inc., a Nevada corporation, pursuant to NRS 78.315(2), hereby consent to the adoption of the following resolutions:

RESOLVED, that the articles of incorporation be amended to reflect a change of the name of the corporation to:

"360networks holdings (USA) inc."

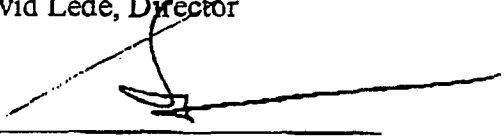
RESOLVED, that the President or Secretary of the corporation be, and they hereby are, authorized and empowered to execute any and all other instruments and certificates, and to do and perform all other acts and things necessary, or by them deemed desirable, to effectuate the purposes of the foregoing resolutions.

DATED this 25th day of May, 2000.



David Lede, Director

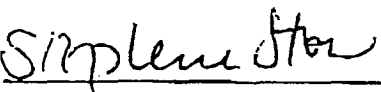
Clifford Lede, Director



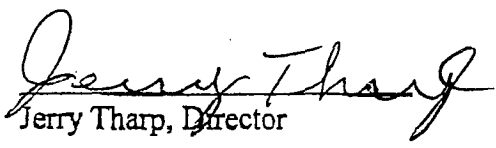
Larry Olsen, Director



Ronald Stevenson, Director



Stephen Stow, Director



Jerry Tharp, Director

Lionel Desmarais, Director

11/30/98 16:25 BSI 604 688 0829

NO.665 P008/013

FILED
IN THE OFFICE OF THE
SECRETARY OF STATE OF THE
STATE OF NEVADA

JUN 18 1998

No. 013871-98
Dean Heller
DEAN HELLER, SECRETARY OF STATE**ARTICLES OF INCORPORATION****OF****PACIFIC FIBER LINK POR-SAC, INC.**

That I, the undersigned, have this day voluntarily acted for the purpose of forming a corporation under the laws of the State of Nevada, and to that end, I do hereby certify:

I. NAME

The name of the corporation is PACIFIC FIBER LINK POR-SAC, INC.

II. AGENT FOR SERVICE OF PROCESS

The name and address of the initial Resident Agent and location of the Registered Office in this state is Beckley, Singleton, Jemison, Cobeaga & List, 1575 Delucchi Lane, Suite 224, Reno, Nevada 89502.

III. PURPOSE

The purpose of the corporation, and the nature of the business and objects proposed to be transacted and carried on by it are:

To engage in any lawful act or activity for which a corporation may be organized under the laws of the State of Nevada other than the banking business, the trust company business or the practice of a profession permitted to be incorporated under the laws of the State of Nevada.

IV. STOCK

The corporation is authorized to issue one class of shares, which shall be designated "common shares," having a total number of 25,000 shares. Each such

share, when issued, shall have one (1) vote.

V. NUMBER OF DIRECTORS

The members of the governing board of the corporation shall be styled "Directors," and the initial Board of Directors shall be one (1) in number.

The number of directors may, at any time or times, be increased or decreased by a duly adopted amendment to these Articles of Incorporation, or in such manner as shall be provided in the By-Laws of the corporation or by an amendment to the By-Laws of the corporation duly adopted by either the Board of Directors or the shareholders.

VI. INITIAL DIRECTORS

The name and address of the First Board of Directors is as follows:

David Lede
#1000 - 11066 West Hastings Street
Vancouver, British Columbia
Canada V6E 3X1

VII. INCORPORATOR

The name and post office address of the incorporator signing these Articles of Incorporation is as follows:

Lance P. Maiss
Beckley, Singleton, Jemison, Cobeaga & List
1575 Delucchi Lane, Suite 224
Reno, Nevada 89502

VIII. ASSESSABILITY OF SHARES

The capital stock of this corporation, after the amount of the subscription price has been paid, shall not be subject to assessment to pay the debts of the corporation, and no stock issued as fully paid shall be assessable or assessed, nor shall the private property of the stockholders, directors or officers of this corporation be subject to the payment of any corporate debts to any extent whatsoever, and in this particular, the Articles of Incorporation shall not be subject to amendment.

IX. INDEMNIFICATION AND LIMITATION ON LIABILITY

Every person who was or is a party, or is threatened to be made a party to or is involved in any action, suit or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that he or she or a person of whom he or she is the legal representative, is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise, shall be indemnified and held harmless to the fullest extent legally permissible under the laws of the State of Nevada, as amended, against all expenses, liability and loss (including attorneys' fees), judgments, fines and amounts paid in connection therewith. Such right of indemnification shall be a contract right which may be enforced in any manner desired by such person. Such right of indemnification shall not be exclusive of any other right which such directors, officers or representatives may have or hereafter acquire, and, without limiting the generality of such statement, they shall be entitled to their respective rights of indemnification under any By-Law, agreement, vote of

stockholders, provision of law, or otherwise, as well as their rights under this Article.

The personal liability of a director or officer of the corporation or its stockholders, shall be limited to the fullest extent provided by Nevada law, as amended, for damages for breach of fiduciary duty as an officer or director. This provision shall not eliminate the liability of a director or officer for acts or omissions which involved intentional misconduct, fraud, a knowing violation of the law or the payment of dividends in violation of NRS 78.300.

Expenses of directors and officers incurred in defending a civil or criminal action, suit or proceeding, must be paid by the corporation as they are incurred and in advance of the final disposition of the action, suit or proceeding, upon receipt of and undertaking by or on behalf of the director or officer to repay the amount if it is ultimately determined by a court of competent jurisdiction that he or she is not entitled to be indemnified by the corporation. This does not affect the rights to advancement of expenses which corporate personnel, other than directors or officers, may be entitled to under any contract or otherwise by law.

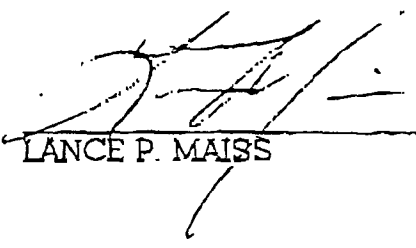
Without limiting the application of the foregoing, the Board of Directors may adopt By-Laws from time to time with respect to indemnification, to provide at all times the fullest indemnification permitted by the laws of the State of Nevada, and may cause the corporation to purchase and maintain insurance on behalf of any person who is or was a director or officer of the corporation, or is or was serving at the request of the corporation as a director or officer of another corporation, or as its representative in a partnership, joint venture, trust or other enterprise against any liability asserted

against such person and incurred in any such capacity or arising out of such status, whether or not the corporation would have the power to indemnify such person.

X. RIGHTS, PREFERENCES, PRIVILEGES AND RESTRICTIONS

Unless otherwise determined by the Board of Directors, no holder of stock of the corporation shall be entitled as such, as a matter of right, to purchase or subscribe for any stock of any class which the corporation may issue or sell, whether or not exchangeable for any stock of the corporation of unissued shares authorized by the Articles of Incorporation of the corporation as originally filed or by any amendment thereof, or out of shares of stock of the corporation acquired by it after the issue thereof, and whether issued for cash, labor performed, personal property, real property, or leases thereof, nor shall he be entitled to any right of subscription to any thereof; nor, unless otherwise determined by the Board of Directors, shall any holder of any shares be entitled as such, as a matter of right, to purchase or subscribe for any obligation which the corporation may issue or sell that shall be convertible into or exchangeable for any shares of the stock of its capital stock of any class or classes.

IN WITNESS WHEREOF, I have hereunto set my hand this 10th day of June, 1998, hereby declaring and certifying that the facts stated hereinabove are true.

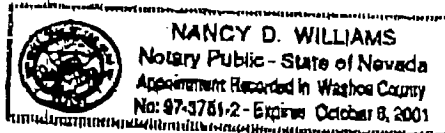


LANCE P. MAISS

11/30/98 16:27 BSJCL → 604 688 0829

State of Nevada)
)ss:
County of Washoe)

On June 1st 1998, personally appeared before me, a Notary Public,
Lance P. Maiss, who acknowledged that he executed the above instrument.



Lance P. Maiss
NOTARY

EXHIBIT B

State of North Dakota

SECRETARY OF STATE



AMENDED CERTIFICATE OF AUTHORITY OF

WORLDWIDE FIBER NETWORKS, INC.

The undersigned, as Secretary of State of the State of North Dakota, hereby certifies that an Application of

WORLDWIDE FIBER NETWORKS, INC.

for an Amended Certificate of Authority to transact business in this State, duly signed and verified pursuant to the North Dakota statutes governing a FOREIGN BUSINESS CORPORATION, have been received in this office and are found to conform to law.

ACCORDINGLY the undersigned, as such Secretary of State, and by virtue of the authority vested in him by law, hereby issues this Amended Certificate of Authority to

360NETWORKS (USA) INC.

under the name of

360NETWORKS (USA) INC..

Effective date of amendment: August 10, 2000

A handwritten signature in cursive script, reading "Alvin A. Jaeger".

Alvin A. Jaeger
Secretary of State



**AMENDED CERTIFICATE OF AUTHORITY
FOREIGN CORPORATION
APPLICATION**
SECRETARY OF STATE
SFN 13107 (6-99)

RECEIVED

AUG 07 2000

SEC. OF STATE

FOR OFFICE USE ONLY

ID #	15,900,000
File #	
WO #	803878
Filed	8-10-00
By	LS

SEE REVERSE SIDE FOR FEES, FILING AND MAILING INSTRUCTIONS

1.A. The application MUST be accompanied by ALL of the following:

- Filing fee of \$40
- If amending the name, a current, ORIGINAL Certificate of Fact verifying the name change certified by the government officer of the state or country where Articles of Incorporation are filed.

TYPE OR PRINT LEGIBLY

B. The following MAY be required:

- Signed Consent of Registered Agent and fee of \$10
- Signed consent to use of name and fee of \$10
- Trade Name Registration and fee of \$25

For reference, see North Dakota Century Code, Section 10-19.1-137 or 10-33-130.

2. Type of corporation applying for amended certificate of authority: (check one) <input checked="" type="checkbox"/> Foreign Business <input type="checkbox"/> Foreign Professional <input type="checkbox"/> Foreign Nonprofit		3. Reason for Amended Certificate of Authority <input checked="" type="checkbox"/> Name changed <input type="checkbox"/> Correction	
4. Name of corporation <u>EXACTLY</u> as currently authorized by the North Dakota Secretary of State WORLDWIDE FIBER NETWORKS, INC.		5. Federal ID # 84-1496451	
6. Name of corporation <u>as amended, EXACTLY</u> as it appears on Certificate of Fact from state or country of origin 360networks (USA) inc.			
7. If the corporation chooses to use a name other than its corporate name, that name is a trade name and <u>must</u> be registered with the North Dakota Secretary of State. (SEE INSTRUCTION 7) If applicable, provide the trade name below and complete the Trade Name Registration form if the selected trade name is not already registered in North Dakota.			
8. If the corporation has been notified by the North Dakota Secretary of State that its amended corporate name is the same as, or deceptively similar to a name already registered, this application for Amended Certificate of Authority must be accompanied by one of the following: (check one) <input type="checkbox"/> Consent to use of name from the conflicting name holder(s) <input type="checkbox"/> An application for registration of a trade name for use in transacting business in North Dakota. The trade name adopted is: <input type="checkbox"/> Certified copy of a final decree of a court of competent jurisdiction establishing prior right of this corporation to use of the name in North Dakota			
9. Physical and mailing address of principal executive office which <u>may not only be a post office box</u> (Street/RR, and PO Box if applicable, City, State, Zip + 4) 143 Union Blvd., Suite 300, Lakewood, CO 80228			
10. State or country where incorporated Nevada	11. EXACT date incorporated (Month, day, AND year) June 12, 1998	12. Duration of corporation <input checked="" type="checkbox"/> Perpetual <input type="checkbox"/> Other (Specify)	13. Telephone # (303) 854-5000 14. Toll-free telephone #
15. Name of required registered agent in North Dakota (SEE INSTRUCTION 15) CT Corporation System		16. Federal ID/social security # of registered agent	
17. Physical and mailing address of registered agent in NORTH DAKOTA which <u>may not only be a post office box</u> (Street/RR, and PO Box if applicable, City, State, Zip + 4) 314 East Thayer Avenue, Bismarck, North Dakota 58501			
18. Nature of business or activities the corporation conducts or intends to conduct in the State of North Dakota			

Telecommunications

19. OFFICERS AND DIRECTORS OF THE CORPORATION		COMPLETE MAILING ADDRESS				
OFFICE	Check box if officer also serves as director	NAME	Street/RR	PO Box	City	State Zip + 4
See attached list of officers/directors						
PRESIDENT	<input type="checkbox"/>					
VICE PRESIDENT	<input type="checkbox"/>					
SECRETARY	<input type="checkbox"/>					
TREASURER	<input type="checkbox"/>					
DIRECTOR						
DIRECTOR						

20. "The undersigned, a person authorized by the corporation to sign this application, knows the contents thereof, and believes the statements are true."

Original signature David Love, Sr. V.P. Date 7/5/00

21. Name of person to contact about this application Daytime telephone #

APPENDIX TO NORTH DAKOTA
FOREIGN CORPORATION CERTIFICATE

OFFICERS OF

360networks (USA) inc.

1. Jerry Tharp, President
143 Union Blvd., Suite 300
Lakewood, CO 80228
2. Ronald Stevenson, Executive Vice President/Secretary
143 Union Blvd., Suite 300
Lakewood, CO 80228
3. Bruce Tinney, Vice President, Business Development
143 Union Blvd., Suite 300
Lakewood, CO 80228
4. Patrick Summers, General Counsel
143 Union Blvd., Suite 300
Lakewood, CO 80228
5. David Love, Senior Vice President
143 Union Blvd., Suite 300
Lakewood, CO 80228

APPENDIX TO NORTH DAKOTA
FOREIGN CORPORATION CERTIFICATE

DIRECTORS OF

360networks (USA) inc.

1. Jerry Tharp
143 Union Blvd., Suite 300
Lakewood, CO 80228
2. Ronald Stevenson
143 Union Blvd., Suite 300
Lakewood, CO 80228
3. David Lede
143 Union Blvd., Suite 300
Lakewood, CO 80228
4. Clifford Lede
143 Union Blvd., Suite 300
Lakewood, CO 80228

EXHIBIT C

1. The first part of the exhibit is a list of the names of the persons who have been identified as having been in contact with the subject of the investigation, and the dates of their contact with the subject.

Corporate Officer Biographies

Mr. Gregg Maffei has joined 360networks as its Chief Executive Officer. Mr. Maffei comes to 360networks from Microsoft where he served as Chief Financial Officer, finance and administration, oversaw the Company's corporate development and the company's \$35 billion dollar US cash and strategic investment portfolio. In that role, he led Microsoft's strategic partnerships and investments with AT&T, Nextel, Asia Global Crossing, Comcast, NTL, UPC and Telewest. Prior to joining Microsoft, Mr. Maffei served as Vice President at Citicorp Venture Capital and has been named one of *Business Week's* "Rising Stars of Finance" and named a "Corporate Finance Superstar" by *Global Finance*.

Mr. David R. Love has joined 360networks as Senior Vice President. Mr. Love has 28 years experience in the telecommunications industry and will oversee the Company's network rollout. Prior to joining 360networks, Mr. Love served as Executive Director of MediaOne International, and as Executive Director and General Manager with US WEST.

Jim Brennan recently joined 360networks as Vice President, Global Sales and Marketing. Prior to that, Mr. Brennan was Vice President, Global Sales and Marketing at Tyco Submarine Systems where he was directly responsible for the development of the first private undersea maintenance program, Seahorse; development of the TyCom Global network; and direct equity investments in cable projects and telecom companies. Before joining Tyco in 1998, Mr. Brennan was Vice President at Carlisle Capital, a private merchant banking company, and also held a number of national and international senior management positions in operations and the direction of global sales and marketing activities.

EXHIBIT D

AUDITORS' REPORT

To the Directors and Shareholders of
360networks inc. (formerly Worldwide Fiber Inc.)

We have audited the consolidated balance sheets of *360networks inc.* (formerly Worldwide Fiber Inc.) as at December 31, 1999 and 1998 and the consolidated income statements and statements of changes in shareholders' equity and cash flows for the year ended December 31, 1999 and for the period from February 5, 1998 (date of incorporation) to December 31, 1998. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with generally accepted auditing standards in the United States. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these consolidated financial statements present fairly, in all material respects, the financial position of the Company as at December 31, 1999 and 1998 and the results of its operations and its cash flows for the year ended December 31, 1999 and for the period from February 5, 1998 (date of incorporation) to December 31, 1998 in accordance with generally accepted accounting principles in the United States.

On February 25, 2000 except for Note 16 which is as of March 20, 2000, we reported separately to the Directors of *360networks inc.* on consolidated financial statements for the year ended December 31, 1999 and for the period from February 5, 1998 (date of incorporation) to December 31, 1998 prepared in accordance with generally accepted accounting principles in Canada.

"PricewaterhouseCoopers LLP"

Vancouver, Canada
February 25, 2000 except for Note 15 which is
as of March 20, 2000

360networks inc.
(formerly Worldwide Fiber Inc.)
Consolidated Balance Sheets
As at December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

	1999	1998
Assets		
Current assets		
Cash and cash equivalents	\$ 521,362	\$ 156,366
Short term investments	21,167	—
Accounts receivable (note 4)	35,351	3,272
Unbilled revenue (note 4)	115,661	10,582
Inventory (note 4)	196,959	29,230
Due from parent-net (note 6)	—	13,412
Deferred tax asset (note 11)	8,838	—
	899,338	212,862
Property and equipment—net (note 4)	77,009	4,014
Assets under construction	300,403	11,461
Deferred tax asset (note 11)	12,040	1,273
Deferred financing costs—net	22,199	6,650
	<u>\$1,310,989</u>	<u>\$ 236,260</u>
Liabilities		
Current liabilities		
Accounts payable and accrued liabilities (notes 4 and 6)	\$ 191,178	\$ 20,296
Deferred revenue	18,831	13,651
Income taxes payable	34,343	7,609
	244,352	41,556
Deferred tax liability (note 11)	3,073	—
Senior notes (note 7)	675,000	175,000
	922,425	216,556
Minority Interest	8,876	1,443
Redeemable Convertible Preferred Stock		
Authorized:		
100,000,000,000 Series A Non-Voting Redeemable Convertible Preferred Shares		
100,000,000,000 Series B Subordinate Voting Redeemable Convertible Preferred Shares		
45,000,000 Series C Redeemable Preferred Shares, no par value		
Issued and outstanding:		
150,951,312 (1998—nil) Series A Non-Voting Redeemable Convertible Preferred Shares		
(including accretion of discount from redemption value of \$6,465,000 and net of issuance costs of \$1,638,000) (note 8)	349,827	—
Shareholders' Equity		
Capital stock (note 9)		
Authorized:		
Unlimited number of Class A Non-Voting, Class B Subordinate Voting and Class C Multiple Voting Shares, no par value		
Issued and outstanding:		
353,426,400 (1998—nil) Class A Non-Voting Shares	236,436	—
82,629,600 (1998—80,004,800) Class B Subordinate Voting Shares	10,455	7,400
81,840,000 (1998—nil) Class C Multiple Voting Shares	45,232	—
Other capital accounts	(221,387)	1,841
(Deficit) retained earnings	(40,875)	9,020
	29,861	18,261
	<u>\$1,310,989</u>	<u>\$ 236,260</u>
Commitments (note 14)		
Subsequent events (note 15)		

The accompanying notes are an integral part of these consolidated financial statements.

360networks inc.
(formerly Worldwide Fiber Inc.)

Consolidated Income Statements

For the year ended December 31, 1999 and period from
February 5, 1998 (date of incorporation) to December 31, 1998.

The Company's operations commenced on June 1, 1998

(tabular amounts expressed in thousands of U.S. Dollars except per share amounts)

	1999	1998
Revenue	\$ 359,746	\$ 164,319
Costs	250,612	147,621
Gross profit	109,134	16,698
Expenses		
Selling, general and administrative	21,846	2,274
Stock-based compensation	7,116	—
Depreciation	2,998	464
	31,960	2,738
	77,174	13,960
Interest expense	33,908	492
Interest income	18,122	267
Income before equity income, income taxes and minority interest	61,388	13,735
Equity income (note 5)	—	928
Income before income taxes and minority interest	61,388	14,663
Provision for income taxes (note 11)		
Current	40,338	5,643
Deferred	(10,024)	—
	30,314	5,643
	31,074	9,020
Minority interest	7,434	—
Net income for the period	\$ 23,640	\$ 9,020
Basic and fully diluted (loss) earnings per share (note 2)	\$ (0.03)	\$ 0.43
Weighted average number of shares used to compute basic and fully diluted (loss) earnings per share	327,313,808	20,964,178

The accompanying notes are an integral part of these consolidated financial statements.

360networks inc.

(formerly Worldwide Fiber Inc.)

Consolidated Statements of Changes in Shareholders' Equity

**For the year ended December 31, 1999 and
period from February 5, 1998 (date of incorporation) to December 31, 1998**

(tabular amounts expressed in thousands of U.S. dollars)

	Class A Non-Voting Shares		Class B Subordinate Voting Shares (formerly Class A common shares)		Class C Multiple Voting Shares		Other Capital Accounts				(Deficit) retained earnings	Total shareholders' equity
	Number of shares	Amount	Number of shares	Amount	Number of shares	Amount	Note receivable	Additional paid in capital	Deferred compensation	Accumulated other comprehensive income		
Balance, February 5, 1998	—	\$ —	—	\$ —	—	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —	\$ —
Incorporation shares issued, February 5, 1998			1,600	—								—
Issuance of shares for certain Ledcor assets with deferred tax asset (note 5)			3,200	7,400				1,088				8,488
Issuance of shares for investments (note 5)			80,000,000	—								—
Excess of proceeds over cost on fiber optic strands to be reacquired from parent company (note 1)								1,154				1,154
Comprehensive income												
Net earnings for the period											9,020	
Accumulated other comprehensive income-foreign currency translation										(401)		
Total comprehensive income												8,619
Balance, December 31, 1998	—	—	80,004,800	7,400	—	—	—	2,242	—	(401)	9,020	18,261
Issuance of shares for certain Ledcor assets with deferred tax asset (note 1)			319,995,200	25,019								25,019
Repurchase of Class B Subordinate Voting Shares in exchange for Class B Subordinate Voting Shares and Series C Redeemable Preferred Shares (note 9)			(400,000,000)	(32,419)								(32,419)
Issuance of shares for cash (note 9)			381,496,000	32,419					(2,832)			32,419
Redemption of Series C Redeemable Preferred Shares and stock dividend (note 9)			2,400,000	5,832								3,000
Issuance of shares for certain Ledcor assets with deferred tax asset (note 1)					72,000,000	5,872		(2,242)				3,630
issuance of shares (note 9)	52,160,000	208,640			9,840,000	39,360	(77,500)		(170,500)			—
Conversion of Class B Subordinate Voting Shares to Class A Non-Voting Shares (note 9)	301,266,400	27,796	(301,266,400)	(27,796)								—
Accretion of Preferred Stock to redemption value											(6,465)	(6,465)
Purchase price adjustment to Preferred Shares								22,070			(22,070)	—
Employee option grants								22,337	(22,337)			—
Amortization of deferred compensation expense									7,116			7,116
Comprehensive income												
Net income for the period											23,640	
Accumulated other comprehensive income-foreign currency translation										660		
Total comprehensive income												24,300
Balance, December 31, 1999	353,426,400	\$236,436	82,629,600	\$ 10,455	81,840,000	\$45,232	\$(77,500)	\$ 44,407	\$(188,553)	\$ 259	\$(40,875)	\$ 29,861

The accompanying notes are an integral part of these consolidated financial statements.

360networks inc.
(formerly Worldwide Fiber Inc.)

Consolidated Statements of Cash Flows

For the year ended December 31, 1999 and period from February 5, 1998
(date of incorporation) to December 31, 1998

(tabular amounts expressed in thousands of U.S. dollars)

	1999	1998
Cash flows used in operating activities		
Net income for the year	\$ 23,640	\$ 9,020
Adjustments to reconcile net income to net cash used for operating activities		
Depreciation	2,998	464
Amortization of deferred financing costs	1,732	—
Equity income	—	(928)
Stock-based compensation	7,116	—
Changes in operating working capital items		
Accounts receivable	(31,887)	(196)
Unbilled revenue	(103,597)	(992)
Inventory	(164,713)	(5,517)
Due from parent	13,841	(16,230)
Accounts payable and accrued liabilities	151,420	2,904
Deferred revenue	(14,008)	13,708
Income taxes payable	26,405	6,491
Advances to WFI USA	—	(21,783)
Deferred income taxes	(10,024)	—
	<u>(97,077)</u>	<u>(13,059)</u>
Cash flows (used in) from investing activities		
Additions to assets under construction	(283,598)	—
Additions to property and equipment	(16,518)	(1,065)
Purchase of short-term investments	(21,167)	—
Cash acquired on acquisition of WFI USA	—	2,242
	<u>(321,283)</u>	<u>1,177</u>
Cash flows from financing activities		
Proceeds from issuance of capital stock	348,000	—
Proceeds from issuance of notes	500,000	175,000
Deferred financing costs	(17,281)	(6,650)
Redemption of Series C Redeemable Preferred Shares	(45,000)	—
	<u>785,719</u>	<u>168,350</u>
Effect of exchange rate changes on cash	(2,363)	(102)
Net increase in cash and cash equivalents	<u>364,996</u>	<u>156,366</u>
Cash and cash equivalents, beginning of period	156,366	—
Cash and cash equivalents, end of period	<u>\$ 521,362</u>	<u>\$ 156,366</u>

The accompanying notes are an integral part of these consolidated financial statements.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

1. The Company

360networks inc. (formerly Worldwide Fiber Inc.) (the "Company") was incorporated on February 5, 1998 and is indirectly a subsidiary of Leducor Inc. On May 31, 1998 the Company began its operations after certain assets of the Telecommunications Division ("Division") of Leducor Industries Limited ("Leducor"), a Leducor Inc. subsidiary were transferred to the Company. Prior to May 31, 1998, the operations were carried out by the Division.

The Company's operations consist of designing, engineering, constructing and installing terrestrial and marine fiber optic systems for sale or lease to third parties or for its own use. For the period ended December 31, 1998, the Company's revenues related primarily to the Construction Services Agreements with Leducor (see note 1(b)). For the year ended December 31, 1999, the Company's revenue is derived primarily from the construction of fibre optic network assets for telecommunications companies in North America.

Transactions with Leducor and its affiliates

a) On May 31, 1998, the Company entered into undertaking agreements whereby certain fiber optic network assets, located in Canada and the U.S. would be transferred to the Company by Leducor in exchange for 319,995,200 Class A Non-Voting Shares. The Company constructed these assets for Leducor under the Construction Services Agreements noted below. Construction of the assets was substantially complete at December 31, 1998 and the Company completed the exchange on March 31, 1999. This transaction was accounted for using the carrying values reported in the accounts of Leducor as a transaction between a parent and a wholly owned subsidiary and accordingly, the fixed assets acquired by the Company are recorded at the carrying amount of the assets in the accounts of Leducor. The cost of property and equipment acquired at March 31, 1999 amounted to \$21,883,000. As a result of the transaction, the Company also received a deferred tax benefit of \$3,136,000 which is reflected as a deferred tax asset.

On May 28, 1999, the Company entered into an agreement with affiliates of Leducor, whereby the Company would acquire certain fiber optic network assets. Closing occurred on September 27, 1999. As consideration, the Company issued 72,000,000 Class C Multiple Voting Shares to affiliates of Leducor. In addition, the Company assumed certain rights and obligations under build agreements with a third party including obligations relating to the completion of those builds and certain support structure, maintenance, license and access, and underlying rights obligations. The cost of the property and equipment acquired amounted to \$25,289,000, the cost of the assets in the accounts of Leducor. The Company also received a deferred tax benefit of \$3,341,000, as a result of a higher tax cost versus accounting cost of fixed assets. The Company also recorded deferred revenue of \$25,000,000 relating to a build commitment assumed from Leducor.

b) Construction Services Agreements entered into May 31, 1998, to provide construction services to Leducor to complete various projects including completion of the fiber optic network assets to be transferred to the Company. As the Company is required to obtain the fiber optic

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

network assets from Leducor, the revenues and costs associated with this portion of the agreement have not been reflected in the income statement for the period ended December 31, 1998. The costs to construct the network were reflected on completion of construction and the issuance of the shares. As at December 31, 1998, the Company had billed Leducor \$18,138,000 for the services related to construction of the fiber optic network assets which exceeds their costs by \$2,099,000. This excess, net of income taxes of \$945,000, had been excluded from the consolidated income statement and had been reported as additional paid in capital.

c) A Management Services Agreement was entered into May 31, 1998 whereby Leducor provides the Company with management staff, administrative and other support services. The Company reimburses Leducor for direct costs and pays Cdn. \$200,000 per month for the Company's share of corporate overheads.

d) Employee Services Agreements were entered into May 31, 1998 whereby the Company obtains the services of certain employees from Leducor on a cost reimbursement basis.

e) The Company has entered into an agreement with Leducor, whereby personnel of Leducor who were involved in the designing and planning of the transatlantic 360atlantic cable stations will oversee management and supervision of construction of these facilities for a fee to Leducor of approximately \$1,700,000.

2. Summary of significant accounting policies

Basis of presentation

These consolidated financial statements have been prepared in accordance with generally accepted accounting principles in the United States and include the accounts of the Company, its wholly owned subsidiaries and its 75% interests in Worldwide Fiber (USA), Inc. ("WFI USA"), WFI-CN Fiber Inc. and Worldwide Fiber IC LLC. All significant intercompany transactions and balances have been eliminated on consolidation. For investments where the Company exercises significant influence, the investment is accounted for using the equity method.

On December 31, 1998, the Company increased its interest in WFI USA from 50% to 75% (note 5). The 1998 consolidated income statement and statement of cash flows accounted for the Company's initial 50% interest in WFI USA using the equity method for the period May 31, 1998 to December 31, 1998. The Company's consolidated balance sheets include WFI USA's assets and liabilities, and minority interest therein.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions which affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the financial statements and revenues and expenses for the period reported. Actual results could differ from those estimates.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Cash and cash equivalents

Cash and cash equivalents consists of cash on deposit and highly liquid short-term interest bearing securities with maturity at the date of purchase of three months or less.

Short term investments

Short term investments consist of highly liquid short term interest bearing securities with maturities at the date of purchase greater than three months. Interest earned is recognized immediately in the income statement.

Property and equipment

Fiber optic network assets constructed for the Company's own use are recorded as property and equipment when the asset is fully constructed. Fiber optic network assets, construction equipment and other property and equipment are recorded at cost. Property and equipment are depreciated using the following rates and methods:

- (a) Fiber optic network assets—straight-line method over 25 years.
- (b) Equipment—hourly usage rates, estimated to depreciate the equipment over the estimated useful lives of the equipment.

Assets under construction

Assets under construction include fiber optic network assets constructed for the Company's own use and include direct expenditures of materials and labour, indirect costs attributable to the projects and interest.

Long-lived assets

The company reviews the carrying amount of long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. The determination of any impairment would include a comparison of estimated future operating cash flows anticipated to be generated during the remaining life of the asset to the net carrying value of the asset.

Inventory

Inventory consists of fiber optic network assets to be sold or leased under sales-type leases, construction supplies and small tools.

Fiber optic network assets are recorded at the lower of cost and market. Cost includes direct materials and subcontractor charges, labour, and interest (see "capitalization of interest") determined on an average cost basis.

Construction supplies and small tools inventory are recorded at the lower of cost and replacement value.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Revenue recognition

Revenue for services provided to Leducor for construction projects is recognized in the period the construction services are performed based on the costs incurred.

Revenue and income from construction contracts to develop fiber optic network assets are determined on the percentage-of-completion basis using the cost-to-cost method. Provision is made for all anticipated losses as soon as they become evident. Claims for additional contract compensation are not recognized until resolved.

Unbilled revenue

Revenue recognized using the percentage-of-completion basis (see "Revenue recognition") less billings to date is recorded as unbilled revenue. Unbilled revenue classified as current represent billings expected to be collected within the following fiscal year. Billings are rendered on the achievement of certain construction milestones.

Capitalization of interest

Interest is capitalized as part of the cost of constructing fiber optic network assets. Interest capitalized during the construction period is computed by determining the average accumulated expenditures for each interim capitalization period and applying the interest rate related to the specific borrowings associated with each construction project. The total interest capitalized in the year ended December 31, 1999 was \$17,467,000 (December 31, 1998—\$Nil).

Deferred financing costs

Costs incurred in connection with obtaining the senior notes financing are deferred and amortized, using the effective interest method, to interest expense over the term of the senior notes.

Deferred revenue

Cash received from customers pursuant to contracts where construction has not commenced is recorded as deferred revenue.

Foreign currency translation and transactions

The functional currency of the Company's operations located in countries other than the U.S. is generally the domestic currency. The consolidated financial statements are translated to U.S. dollars using the period-end exchange rate for assets and liabilities and weighted-average exchange rates for the period for revenues and expenses. Translation gains and losses are deferred and accumulated as a component of other comprehensive income in shareholders' equity. Net gains and losses resulting from foreign exchange transactions are included in the consolidated income statement.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Comprehensive income

Comprehensive income consists of currency translation adjustments and net income.

Income taxes

Income taxes are accounted for using an asset and liability approach, which requires the recognition of taxes payable or refundable for the current period and deferred tax liabilities and assets for future tax consequences of events that have been recognized in the Company's financial statements or tax returns. The measurement of current and deferred tax liabilities and assets is based on provisions of enacted tax laws; the effects of future changes in tax laws or rates are not anticipated. The measurement of deferred tax assets is reduced, if necessary, by a valuation allowance, where, based on available evidence, the probability of realization of the deferred tax asset does not meet a more likely than not criteria.

Fair value of financial instruments

The fair value of the Company's financial instruments, consisting of cash and cash equivalents, short-term investments, accounts receivable, unbilled revenue, due from parent, accounts payable and accrued liabilities, and income taxes payable approximate their carrying values due to their short-term nature. As at December 31, 1999, the fair value of the \$500,000,000 12% Senior Notes was \$515,000,000 and the fair value of the \$175,000,000 12.5% Senior Notes ("1998 Notes") was \$182,000,000. The fair value of the 1998 Notes at December 31, 1998 approximated its carrying value. Fair value is based on a quoted market price.

Earnings per Share

Basic earnings per share is computed by dividing net income available to common stockholders by the weighted average number of common shares (including Class A Non-Voting Shares, Class B Subordinate Voting Shares and Class C Multiple Voting Shares) outstanding for the period. Diluted earnings per share reflects the potential dilution of securities by including other potential common stock, including stock options and redeemable convertible preferred shares, in the weighted average number of common shares outstanding for a period, if dilutive.

The following table sets forth the computation of (loss) earnings per share:

	1999	1998
	\$	\$
Net income	23,640	9,020
Less:		
Stock dividend	5,000	—
Preferred stock accretion	6,465	—
Purchase price adjustment to preferred shares ..	22,070	—
Net (loss) income available to common stockholders	<u>(9,895)</u>	<u>9,020</u>

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

The Redeemable Convertible Preferred Shares and stock options are not included in the computation of fully diluted earnings per share as their effect is anti-dilutive.

Recent accounting pronouncements

In June 1998, the Financial Accounting Standards Board issued SFAS No. 133, "Accounting for Derivative Instruments and Hedging Activities." This statement establishes accounting and reporting standards for derivative instruments, including certain derivative instruments embedded in other contracts and for hedging activities. The Company does not expect the adoption of SFAS No. 133 to have a material impact on its consolidated financial statements.

In June 1999, the Financial Accounting Standards Boards (FASB) issued Interpretation No. 43, "Real Estate Sales, an interpretation of FASB Statement No. 66." The interpretation is effective for sales of real estate with property improvements or integral equipment entered into after June 30, 1999. Under this interpretation, title must transfer to a lessee in order for a lease transaction to be accounted for as a sales-type lease. The accounting for indefeasible rights of use of fiber optic network assets is evolving and currently being considered by accounting standard setters in the U.S. These changes may have a significant effect on the Company, however it is not possible to determine the consequences of such changes until further accounting guidance has been developed.

Comparative financial information

Certain prior year amounts have been reclassified to conform to the current year presentation.

3. Supplemental cash flow information

	1999	1998
	\$	\$
Cash paid for income taxes	13,944	—
Cash paid for interest	21,391	—
Supplemental non-cash investing and financing activities:		
Issuance of common shares for		
Certain Leducor assets	47,172	8,488
Deferred revenue	25,000	—
Additional 25% investment in WFI USA in exchange for		
surrender of note receivable	—	3,915
Series C Redeemable Preferred stock dividend	5,000	—
Accretion of Preferred Stock to redemption value	6,465	—

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

4. Balance Sheet components

	1999 \$	1998 \$
Accounts receivable		
Trade accounts receivable	34,736	3,107
Interest receivable and other	615	165
	<u>35,351</u>	<u>3,272</u>
Unbilled revenue		
Revenue earned on uncompleted contracts	333,116	22,236
Less: Billings to date	217,455	11,654
	<u>115,661</u>	<u>10,582</u>
Inventory		
Fiber optic network assets	188,013	28,085
Construction supplies and small tools	8,946	1,145
	<u>196,959</u>	<u>29,230</u>
Property and equipment		
Land	5,891	—
Fiber optic network assets	64,079	—
Equipment	10,501	4,478
	80,471	4,478
Less: Accumulated depreciation	3,462	464
Property and equipment—net	<u>77,009</u>	<u>4,014</u>
Accounts payable and accrued liabilities		
Subcontractor and supplier costs	100,461	13,468
Subcontractor holdbacks payable	25,676	4,843
Other accrued liabilities	36,474	1,493
Interest payable	28,567	492
	<u>191,178</u>	<u>20,296</u>

5. Acquisitions

Telecommunications Division assets

Effective May 31, 1998, the Company entered into a series of agreements whereby equipment, fiber optic network assets and other assets related to the business of the Telecommunications Division of Leducor were transferred to the Company. In addition, the Company was granted a license to use Leducor's patented rail plow technology. This license agreement was for an initial term

360networks Inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

of ten years, renewable annually upon completion of the initial term. As part of this transaction, Ledcor retained all existing construction contracts related to the business. This transaction was between entities under common control and has been accounted for using the carrying amounts recorded in Ledcor's accounts. The tax basis of substantially all the Canadian assets transferred to the Company was Ledcor's carrying values whereas the tax basis of the U.S. assets transferred was their fair value. The deferred tax balances were adjusted for the change in the tax basis of the U.S. assets with the adjustment being reflected as additional paid in capital. As consideration for the transaction, the Company issued 3,200 Class A Common Shares to Ledcor.

The assets transferred and consideration given, in connection with this transaction, were as follows:

	\$
Assets	
Construction equipment	2,830
Fiber optic network assets	4,424
Deferred income taxes	1,088
Other	146
	<u>8,488</u>
Consideration given	
Class A common Shares and additional paid in capital	<u>8,488</u>

Ledcom Holdings Ltd.

On December 1, 1998 the Company acquired 50 Class A common Shares representing a 50% interest of Ledcom Holdings Ltd. ("Ledcom") from Worldwide Fiber Holdings Ltd. ("WFHL"), the Company's parent. As consideration, the Company issued 32,000,000 Class A Non-Voting Shares. Ledcom holds the patent to Ledcor's rail plow technology, and in conjunction with this acquisition Ledcor has committed to grant to the Company a worldwide exclusive license for the use of the rail plow technology. The license will become non-exclusive six months after a change of control of the Company. This transaction was between entities under common control and has been accounted for using the carrying value of the investment recorded in WFHL's accounts which was \$nil.

Investment in WFI USA

On August 31, 1998, the Company purchased Ledcor's 50% interest in, and a promissory note of \$3,915,000 from WFI USA, in exchange for 48,000,000 Class A Non-Voting Shares of the Company and the issuance of a promissory note by the Company. WFI USA was a joint venture with Mi-Tech Communications LLC ("Mi-Tech") which held the remaining 50% interest in WFI USA. WFI USA's operations consist primarily of developing fiber optic network assets in the United States.

As this transaction was between entities under common control, it was accounted for in a manner similar to a pooling of interests. These financial statements reflect the equity interest in the

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

income of WFI USA from May 31, 1998 to December 31, 1998 in the amount of \$928,000. Prior to May 31, 1998, the equity interest was reported as part of the Telecommunications Division of Ledcor.

On December 31, 1998 the Company increased its interest in WFI USA to 75% by surrendering its note receivable from WFI USA of \$3,915,000 for 100 non-voting common shares and 100 Class A Voting Preferred Shares of WFI USA. The acquisition has been accounted for using the purchase method effective December 31, 1998. The purchase price of the additional 25% has been allocated to assets and liabilities based on their fair values. As a result, the net assets acquired were as follows:

	\$
Current assets	3,742
Inventory	6,048
Fiber optic network assets	1,795
Current liabilities	10,052

On December 31, 1998, the Company entered into a Shareholders' Agreement ("Agreement") with Ledcor, Mi-Tech and Michels Pipeline Construction, Inc. ("Michels") (an affiliate of Mi-Tech). Pursuant to this agreement, Mi-Tech will have the option to convert all of its 25% interest in WFI USA into Shares of the Company should the Company complete a public offering of Shares with an aggregate value of at least \$20,000,000 or there is a change of control of WFI USA. In connection with the conversion, Mi-Tech will be granted certain registration rights in accordance with the Agreement. In addition, after the tenth anniversary of this agreement, Mi-Tech has the option to require WFI USA to purchase all of the Shares owned by Mi-Tech and its affiliates at fair market value. If Mi-Tech exercises this option, the Company can elect to sell all the Shares or assets of WFI USA in which case it will not be required to purchase Mi-Tech's Shares in WFI USA. In the event of a proposed sale of the Shares of WFI USA held by the Company, Mi-Tech will have certain tag-along rights.

Also as part of the Agreement the Company:

- a) Agreed not to participate in any projects or business nor provide advice or assistance to any business which undertakes projects within WFI USA's scope of business, as defined in the Agreement, for a period of four years from the date of the Agreement.
- b) Is restricted from selling, transferring, encumbering or divesting its ownership or control of WFI USA.
- c) WFI USA has an option to purchase from Mi-Tech 24 fiber optic strands along certain existing routes owned by Mi-Tech and its affiliates at fair market value.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

6. Due from parent

The amounts due to and from parent are non-interest bearing, have no stated terms of repayment and are due on demand. Contract amounts billed to parent and costs charged by parent exceed revenues and costs as reported in the income statement, for the period ended December 31, 1998, due to fiber optic network assets to be transferred to the Company as described in note 1(b). The balance as at December 31, 1999 of \$7,297,000, is included in accounts payable.

7. Senior notes

On July 28, 1999 the Company issued \$500,000,000 12% senior notes (the "Notes"). The Notes are unsecured obligations of the Company bearing interest at 12% payable semi-annually. The Notes are due August 1, 2009 and may be redeemed by the Company on or after August 1, 2004 at certain specified redemption prices ranging up to 106.00%. Up to 35% of the Notes may be redeemed by the Company prior to August 1, 2002 at a redemption price of 112% of the principal amount with the net proceeds from certain sales of the Company's common stock. If a change in control occurs, as defined in the Notes indentures, the holders of the Notes can require the Company to repurchase all or part of the Notes at 101% of the principal amount. Where excess proceeds from certain asset sales, as defined in the Notes indentures, exceeds \$10,000,000 the Company is required to make an offer to repurchase the maximum amount of Notes that can be repurchased with such excess proceeds at an offer price equal to 100% of the principal amount.

On December 23, 1998, the Company issued \$175,000,000 12.5% senior notes (the "1998 Notes"). The 1998 Notes are unsecured obligations of the Company bearing interest at 12.5% payable semi-annually. The 1998 Notes are due December 15, 2005 and may be redeemed by the Company on or after December 31, 2003 at certain specified redemption prices ranging up to 106.25% of the principal amount. Up to 35% of the 1998 Notes may be redeemed by the Company prior to December 15, 2001, at a redemption price of 112.5% of the principal amount with the net proceeds from certain sales of the company's common equity to the public. If a change of control occurs, as defined in the 1998 Notes Indenture, the holders of the 1998 Notes can require the Company to repurchase all or part of the 1998 Notes at 101% of the principal amount. If at the end of December 31, 2000 and semi-annually thereafter, the Company's Accumulated Excess Cash Flow, as defined in the 1998 Notes Indenture, exceeds \$10,000,000, the Company is required to make an offer to repurchase the maximum principal amounts of 1998 Notes that may be purchased by such Accumulated Excess Cash Flow Amount at an offer price equal to 110% of the principal amount of the 1998 Notes. Under this Excess Cash Flow provision, the Company is not required to repurchase more than 25% of the original principal amount of the 1998 Notes prior to December 31, 2003.

The Notes and 1998 Notes contain certain covenants that restrict the ability of the Company and its subsidiaries to incur additional indebtedness and issue certain preferred stock, pay dividends or make other distributions, repurchase equity interests or subordinated indebtedness, engage in sale and leaseback transactions, create certain liens, enter into certain transactions with

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

affiliates, sell assets of the Company or its subsidiaries, issue or sell equity interests of the Company's subsidiaries or enter into certain mergers and consolidations.

8. Redeemable Convertible Preferred Stock

On September 9, 1999 the Company authorized various classes of preferred shares.

Series A Non-Voting Convertible Preferred Shares

On September 9, 1999, the Company issued 141,868,928 Series A Non-Voting Convertible Preferred Shares ("Series A Preferred Shares") for \$345,000,000. On December 22, 1999, the Company issued an additional 9,082,384 Series A Preferred Shares to the holders of such shares pursuant to the terms of their original purchase agreement dated September 7, 1999.

The Series A Preferred Shares are entitled to dividends on an equivalent basis to the Class A Non-Voting Shares into which the Series A Preferred Shares can be converted. The Series A Preferred Shares rank senior to all classes of capital stock upon liquidation, dissolution and wind-up and are junior in right of payment of all indebtedness of the Company and its subsidiaries.

The Series A Preferred Shares have a mandatory redemption on November 2, 2009 at a liquidation value consisting of the original purchase price of \$2.43 per share plus an adjustment equal to 6% per annum of the purchase price, plus declared and unpaid dividends and the excess of the market value of the Class A Non-Voting Shares over the liquidation value.

Upon a qualified underwritten public offering of at least \$150,000,000 with a share price of at least 300% of the purchase price of the Series A Preferred Shares, each Series A Preferred Share may, at the option of the Company, be converted into Class A Non-Voting Shares at a ratio equal to one plus 6% per annum. If a qualified underwritten public offering occurs by September 9, 2000 the conversion will be on a one for one basis.

The Series A Preferred Shares may be converted by the holders into Class A Non-Voting Shares, at any time, on the same basis as the Company's conversion right and may be converted into Series B Non-Voting Convertible Preferred Shares on a one for one basis. In addition, the holders of the Series A Preferred Shares have anti-dilution protection.

Series B Subordinate Voting Convertible Preferred Shares

The Series B Subordinate Voting Convertible Preferred Shares ("Series B Preferred Shares") are entitled to dividends on an equivalent basis to any dividends declared or paid on Class B Subordinate Voting Shares into which the Series B Preferred Shares can be converted. The Series B Preferred Shares rank senior to all classes of capital stock upon liquidation, dissolution and wind-up and are junior in right of payment of all indebtedness of the Company and its subsidiaries. The Series B Preferred Shares are entitled to one vote per share.

The Series B Preferred Shares are mandatorily redeemable on November 2, 2009 at a liquidation value of \$2.43 per share plus an adjustment equal to 6% per annum of the purchase

360networks Inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

price, plus declared and unpaid dividends and the excess of the market value of the Class B Subordinate Voting Shares over the liquidation value.

Upon a qualified underwritten public offering of at least \$150,000,000 with a share price of at least 300% of the purchase price of the Series B Preferred Shares, each Series B Preferred Share, may at the option of the Company, be converted into Class B Subordinate Voting Shares at a ratio equal to one plus 6% per annum. If a qualified underwritten public offering occurs by September 9, 2000 the conversion will be on a one for one basis.

The Series B Preferred Shares may be converted into Class B Subordinate Voting Shares, at any time on the same basis as the Company's conversion right and may be converted into Series A Preferred Shares on a one for one basis. In addition, the holders of the Series B Preferred Shares have anti-dilution protection

Series C Redeemable Preferred Shares

On September 9, 1999, 80,000,000 Series C Redeemable Preferred Shares ("Series C Preferred Shares") were issued pursuant to a stock dividend and 640,000,000 Series C Preferred Shares were issued pursuant to a share re-organization. Subsequently, the Company repurchased the 720,000,000 issued Series C Preferred Shares for \$45,000,000 (note 9). The holders of Series C Preferred Shares are not entitled to dividends or voting rights and may redeem the Series C Preferred Shares at \$1 per share after November 2, 2009.

9. Capital stock

On September 9, 1999 the Company authorized various classes of capital stock (see "Share capital transactions").

The holders of the Class A Non-Voting Shares, Class B Subordinate Voting Shares, and Class C Multiple Voting Shares participate equally in dividends declared subject to any preference priority on other classes of shares.

The holders of the Class A Non-Voting Shares are not entitled to voting rights. The holders of Class B Subordinate Voting Shares are entitled to one vote per share, and the holders of Class C Multiple Voting Shares are entitled to 20 votes per share.

In the event of liquidation, dissolution, or wind-up of the Company, any payment or distribution of assets will be paid or distributed equally share for share to the holders of the three classes of capital stock.

The holders of Class A Non-Voting Shares are entitled to convert their Shares to Class B Subordinate Voting Shares on a one for one basis. The holders of Class B Subordinate Voting Shares are entitled to convert their Shares to Class A Non-Voting Shares on a one for one basis at any time prior to September 9, 2000 and into Series A Preferred Shares on a one for one basis. The holders of Class C Multiple Voting Shares are entitled to convert their Shares into Class A Non-Voting Shares or Class B Subordinate Voting Shares on a one for one basis.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Share capital transactions

On September 9, 1999, the Company amended its share capital by re-designating 400,000,000 Class A Voting Shares to Class B Subordinate Voting Shares, cancelling its remaining classes of Shares and creating Class A Non-Voting Shares, Class C Multiple Voting Shares, Series A and B Convertible Preferred Shares and Series C Redeemable Preferred Shares. Subsequently, the Company declared a stock dividend of 80,000,000 Series C Redeemable Preferred Shares for \$5,000,000. Concurrently, the Company repurchased the 400,000,000 outstanding Class B Subordinate Voting Shares from its parent in exchange for the issuance of 381,496,000 Class B Subordinate Voting Shares and 640,000,000 Series C Redeemable Preferred Shares. The Company then redeemed the 720,000,000 outstanding Series C Redeemable Preferred Shares for \$45,000,000 cash resulting in a charge to retained earnings of \$40,000,000.

On August 31, 1999 the Company issued 2,400,000 Class B Subordinate Voting Shares for \$3,000,000.

On November 24, 1999, a shareholder converted 301,266,400 Class B Subordinate Voting Shares into 301,266,400 Class A Non-Voting Shares. On December 22, 1999, the Company issued 52,160,000 Class A Non-Voting Shares and 9,840,000 Class C Multiple Voting Shares under an employment agreement to an executive officer for \$77,500,000. The Company also received a promissory note of \$77,500,000 from the executive officer.

On November 24, 1999, the Board of Directors approved an eight-for-one share split of all classes of the Company's stock. All share amounts in 1998 and 1999 have been presented on a post stock split basis.

10. Stock Based Compensation

Stock Option Plan

The Company has a Long Term Incentive and Share Award Plan that permits the grant of non-qualified stock options, incentive stock options, share appreciation rights, restricted shares, restricted share units, performance shares, performance units, dividend equivalents and other share-based awards to employees and directors. A maximum of 7,133,008 Class A Non-Voting shares may be subject to awards under the plan, which generally have a vesting period of four years. The stock options have terms expiring on or before November 15, 2009.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Stock option transactions during 1999 were as follows:

	Number of options	Weighted average exercise price \$
Balance—December 31, 1998	—	—
Options granted	43,412,480	0.77
Options cancelled	—	—
Options exercised	—	—
Balance—December 31, 1999	<u>43,412,480</u>	<u>0.77</u>

The weighted average fair value of options granted in 1999 was \$1.29.

The following table summarizes information about stock options outstanding at December 31, 1999:

Exercise price\$	Number outstanding at December 31, 1999	Weighted average remaining contractual life (years)	Options exercisable at December 31, 1999
0.63	33,786,880	9.0	8,822,080
1.25	9,625,600	9.5	—
<u>0.63-1.25</u>	<u>43,412,480</u>	<u>9.2</u>	<u>8,822,080</u>

The Company accounts for stock option grants in accordance with Accounting Principles Board Opinion No. 25, "Accounting for Stock Issued to Employees" ("APB 25") as permitted by SFAS No. 123 "Accounting for Stock Based Compensation" ("SFAS 123"), and, accordingly, recognizes compensation expense for stock option grants to the extent that the estimated fair value of the stock exceeds the exercise price of the option at the measurement date. The compensation expense is charged against operations ratably over the vesting period of the options and was \$4,284,000 in 1999 (1998—\$nil). Under the method prescribed by SFAS 123, the weighted average fair value of the stock options granted in 1999 is \$28,083,000 (to be amortized over the employee service period) and the Company's 1999 net income and loss per share under this method would have been as follows:

Net income for the year	\$23,640
Additional compensation expense	<u>(1,425)</u>
Pro forma net income for the year	<u>22,215</u>
Pro forma basic and fully diluted loss per share	\$.04

360networks Inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

The pro forma compensation expense is estimated using the Black Scholes option-pricing model assuming no dividend yield and the following weighted average assumptions for options granted during the year ended December 31, 1999:

Expected volatility (private company)	0.0%
Risk free interest rate	5.2%
Expected life (in years)	4.0

Restricted stock and other stock issuances

During the year, the Company issued stock to certain directors and officers of the Company. To the extent that these stock issuances are considered to be below fair value, stock based compensation is recognized and amortized over the appropriate periods. The Company recognized \$176,164,000 of deferred stock-based compensation related to stock issued to these officers and directors in 1999 of which \$2,832,000 was expensed in the year.

The shares issued to the executive officer are subject to a repurchase by the Company at the lesser of fair market value of the shares and the original purchase price of the shares plus interest. The restriction lapsed with respect to 15,500,000 shares immediately on commencement of employment and lapses for 12,400,000 shares in 2000, 13,639,968 shares in 2001 and 2002 and the remainder in 2003. Under certain conditions, the executive officer may put back a certain number of shares to the Company, or at the option of the Company to Worldwide Fiber Holdings Ltd., at fair market value to repay the promissory note. Deferred compensation related to these shares will be amortized over the periods covered by the repurchase restriction.

11. Income taxes

Income before equity income, income taxes and minority interest.

The components of income before equity income, income taxes and minority interest are as follows:

	1999 \$	1998 \$
Canadian	46,881	5,683
U.S.	14,507	8,052
	<u>61,388</u>	<u>13,735</u>

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Current income taxes

The provision for current income taxes consists of the following:

	<u>1999</u>	<u>1998</u>
	<u>\$</u>	<u>\$</u>
Canadian	25,742	2,599
U.S. federal	11,775	2,563
U.S. state and local	2,821	481
	<u>40,338</u>	<u>5,643</u>

The provision for income taxes differs from the amount computed by applying the statutory income tax rate to net income before taxes as follows:

	<u>1999</u>	<u>1998</u>
	<u>%</u>	<u>%</u>
Canadian statutory rate	45.6	45.6
Foreign tax at other than Canadian statutory rate	(5.0)	(4.5)
Stock based compensation	5.8	—
Investment income	1.6	—
Other	1.3	—
	<u>49.3</u>	<u>41.1</u>

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Deferred income taxes

Significant components of the Company's deferred tax asset and liability are as follows:

	<u>1999</u> <u>\$</u>	<u>1998</u> <u>\$</u>
Deferred tax asset		
Expenses not deductible in current period	8,838	—
Tax loss carryforwards	4,259	—
Property and equipment	7,596	1,088
Other	185	185
	<u>20,878</u>	<u>1,273</u>
Valuation allowance	—	—
Net deferred tax asset	<u>20,878</u>	<u>1,273</u>
Deferred tax liability		
Property and equipment	1,760	—
Financing costs	1,313	—
	<u>3,073</u>	<u>—</u>

Management believes that, based on a number of factors, it is more likely than not that the deferred tax asset will be fully utilized, such that no valuation allowance has been recorded.

12. Concentration of credit risk

Financial instruments that potentially subject the Company to a significant concentration of credit risk consist primarily of cash and cash equivalents, short-term investments, accounts receivable, unbilled revenue and due from parent which are not collateralized. The Company limits its exposure to credit loss by placing its cash and cash equivalents and short-term investments with high credit quality financial institutions. Concentrations of credit risk with respect to accounts receivable and unbilled revenue are considered to be limited due to the credit quality of the customers comprising the Company's customer base.

The Company performs ongoing credit evaluations of its customers' financial condition to determine the need for an allowance for doubtful accounts. The Company has not experienced significant credit losses to date. Accounts receivable was comprised of 22 customers at December 31, 1999 and 12 customers at December 31, 1998.

The concentration of credit risk relating to the amount due from the parent is considered limited due to the credit quality of the Company's parent. The Company's three largest customers represented 22%, 15% and 10% of the Company's total revenue for 1999. As described in Note 1, substantially all of the Company's revenues during the period ended December 31, 1998 were earned from construction services provided to Ledcor.

360networks Inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)

December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

13. Segmented information

The Company operates within a single operating segment being the construction and installation of fiber optic network assets. These fiber optic network assets are being constructed in Canada, the U.S. and Europe including a transatlantic link. A significant portion of the transatlantic link will be owned by a subsidiary in Barbados. Revenues, property and equipment, assets under construction, and deferred financing costs are located as follows:

	Revenues		Property and equipment—net		Assets under construction		Deferred financing costs—net	
	1999 \$	1998 \$	1999 \$	1998 \$	1999 \$	1998 \$	1999 \$	1998 \$
Canada	170,705	84,534	38,206	3,794	46,683	4,424	22,199	6,650
U.S.	189,041	79,785	33,669	220	53,221	7,037	—	—
Barbados	—	—	—	—	169,648	—	—	—
Europe	—	—	5,134	—	30,851	—	—	—
	<u>359,746</u>	<u>164,319</u>	<u>77,009</u>	<u>4,014</u>	<u>300,403</u>	<u>11,461</u>	<u>22,199</u>	<u>6,650</u>

The revenues are based on the location of the construction activities.

14. Commitments

Network developments

The Company has, in the normal course of business, entered into agreements to provide construction services and fiber optic network assets to third parties in Canada and the United States.

Right of way access agreements

The Company has, in the normal course of business, entered into various agreements to secure the rights of ways along its network routes. In general, most agreements have an option renewal clause stating that grantors cannot unjustly withhold their acceptance of a renewal. Future minimum payments on significant rights of ways are as follows:

2000	\$25,051
2001	\$17,051
2002	\$17,051

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Operating leases

The Company leases certain facilities and equipment used in its operations under operating leases. Future minimum lease payments under these lease agreements at December 31, 1999 are as follows:

2000	\$7,489
2001	\$6,244
2002	\$3,349
2003	\$1,153
2004	\$ 671

The Company pays Leducor approximately \$825,000 per year in connection with its lease of the Toronto facilities. The lease expires in 2009.

Supply Agreements

On June 18, 1999, a subsidiary of the Company entered into a supply agreement, with Tyco Submarine Systems Ltd. ("Tyco") whereby Tyco will serve as the primary contractor for the Company's trans-Atlantic cable project called "360atlantic". The initial contract price is approximately \$607 million. The Company paid \$214 million in the year ended December 31, 1999 on this contract. (1998—\$NIL)

The Company has placed purchase orders of \$27 million with suppliers of bandwidth equipment.

CN/IC Agreements

On May 28, 1999, the Company entered into agreements with Canadian National Railway Company ("CN") and Illinois Central Railroad Company ("IC") to license rights-of-way along certain of their respective rail transportation systems (the "Routes"). In connection with these license agreements, the Company formed subsidiary companies with CN (WFI-CN Fibre Inc.) and IC (Worldwide Fiber LLC) (the Company having a 75% interest and CN or IC having the remaining 25% interest) for the purpose of licensing the rights-of-way from CN and IC and developing the projects along the Routes.

15. Subsequent events

Share Capital Reorganization

Concurrent with the closing of a public offering, the Company will reorganize the share capital as follows: the holders of existing Class B Subordinate Voting Shares will convert or exchange their shares into Class A Non-Voting Shares and all authorized but unissued Class B Subordinate Voting Shares will be cancelled; the Series A Non-Voting Preferred Shares will be converted or exchanged into our Class A Non-Voting Shares and all of the authorized but unissued Series A Preferred Shares, Series B Preferred Shares and Series C Preferred Shares will be cancelled; the existing

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Class A Non-Voting Shares will be redesignated as Subordinate Voting Shares and the terms shall be amended to provide the holders with one vote per share; the existing Class C Multiple Voting Shares will be amended to provide the holders with 10 votes per share and the Class C Multiple Voting Shares will be redesignated as Multiple Voting Shares; and a class of unlimited Preferred Shares, issuable in series will be created.

GlobeNet Acquisition

The Company has entered into a definitive agreement to acquire 100% of the outstanding shares of GlobeNet Communications Group Limited in exchange for approximately \$640 million worth of newly created Subordinate Voting Shares. The number of Subordinate Voting Shares to be issued by the Company will be based on an initial public offering price.

Acquisition of remaining 25% of WFI-USA

The Company has entered into a commitment with Mi-Tech to acquire its 25% interest in WFI-USA in exchange for \$312 million worth of Class A Non-Voting Shares of the Company. The number of shares to be issued by the Company will be determined based on an initial public offering price.

CN/IC

On March 6, 2000, the Company entered into an agreement with CN and IC to acquire their respective 25% interests in WFI-CN Fibre Inc. and Worldwide Fiber IC LLC in exchange for \$160 million worth of Class A Non-Voting Shares of the Company. The number of Class A Non-Voting Shares to be issued by the Company will be based on an initial public offering price. Pursuant to this agreement, payment terms for right-of-way fees were amended requiring the right-of-way fees to be paid over a three year term.

Canadian telecommunications arrangement

The Company has entered into an arrangement to transfer certain Canadian telecommunications equipment and related facilities to a subsidiary of Leducor which will be held 66⅔% by Leducor and 33⅓% by the Company in exchange for 51% of the non-voting participating shares of the subsidiary.

Acquisition of colocation facilities

The Company has agreed, subject to execution of definitive agreements to acquire colocation facilities in a number of North American cities. The aggregate purchase price for these acquisitions is \$156 million payable in a combination of cash and newly created Subordinate Voting Shares.

360atlantic credit facility

The Company has entered into a credit agreement with certain lenders pursuant to which the lenders have provided a credit facility totalling U.S. \$565,000,000.

360networks inc.
(formerly Worldwide Fiber Inc.)
Notes to Consolidated Financial Statements (Continued)
December 31, 1999 and 1998
(tabular amounts expressed in thousands of U.S. dollars)

Share split

On March 20, 2000, the Board of Directors approved a two-for-one share split of all classes of the Company's stock. All share amounts in 1998 and 1999 have been presented on a post-stock split basis.

Share Issuances

Subsequent to December 31, 1999, the Company issued 411,214 Class A Non-Voting Shares to a consultant of the Company. In addition, the Company will issue additional Series A Preferred Shares in connection with the purchase price adjustment provisions of a subscription agreement.

Name change

On March 14, 2000, the Company changed its name from Worldwide Fiber Inc. to *360networks inc.*

EXHIBIT E

**LONG DISTANCE TELECOMMUNICATIONS CARRIERS
REGISTERED WITH THE
NORTH DAKOTA PUBLIC SERVICE COMMISSION
(As of August 30, 2000)**

A|B|C|D|E|F|G|H|I|J|K|L|M|N|O|P|Q|R|S|T|U|V|W|X|Y|Z

LDC - Long Distance Carrier

LDR - Long Distance Reseller

OSP - Operator Service Provider

Name of Company	Type of Service	Date Registered
1 Plus Savings Inc. Harrison Township MI 810-954-2786; 888-786-7587	LDR	7-1-98
360° Long Distance, Inc. Chicago IL 312-399-2500	LDR	12-11-96
@link Networks, Inc. Waukesha WI	LDC	9-22-99
A.B.T.S. International Corp. West Berlin NJ 609-768-3737	LDR	6-11-96
ACC NATIONAL LONG DISTANCE CORP. d/b/a Vista International Communications Rochester NY 716-987-3180	LDR	12-21-94
ACN Communications Services, Inc. Farmington Hills MI 248-699-3314	LDR	2-9-00
ACS Systems, Inc. Santa Ana CA 714-622-4444; 800-260-1131	LDR	2-11-98
ACSI Local Switched Services, Inc. Annapolis Junction MD 301-617-4200	OSP, LDR	10-22-97
ACCUTEL COMMUNICATIONS, INC. West Palm Beach FL 888-234-9530	LDR	8-13-97
ACOMM Inc. Minneapolis MN 763-528-2400; 888-305-2444	LDR	7-5-95
AS Telecommunications, Inc. Phoenix AZ 602-248-9379 800-800-3986	LDR	9-8-99
ASC TELECOM, INC. Kansas City MO 913-624-6828	OSP, LDR	3-6-96
ATX Telecommunications Services, Inc. Bala Cynwyd PA 800-220-2891	LDR	2-23-00
AT&T Communications of the Midwest, Inc. Minneapolis MN 612-376-6766	LDC, OSP, LDR	9-21-94

Access Point, Inc. Cary NC 919-851-4838	LDR	11-5-97
Adelphia Business Solutions Operations, Inc. Canonsburg PA 724-743-9716	LDC	5-10-00
Adelphia Telecommunications, Inc. Coudersport PA 814-274-9863	LDR	1-12-00
Advanced TelCom Group, Inc. Santa Rosa CA 707-284-5000; 800-367-2844	LDR LDC	5-10-00 7-6-00
Advanced Telecommunications Network, Inc. Cherry Hill NJ 609-662-8700	LDR	11-22-95
Affinity Corporation Waukesha WI 414-782-3885	LDR	2-20-96
Affinity Network Incorporated Los Angeles CA 213-383-8365	LDR	2-11-92
Airnex Communications, Inc. San Ramon CA 925-327-0400	LDR	3-17-99
AllCom USA Ontario CA 909-937-1200; 800-425-5266; FAX 888-525-5266	LDR	12-16-98
Alliance Group Services, Inc. Westport CT 203-845-9600	LDR	9-15-98
Alternate Communications Technology, Inc. Indianapolis IN 317-358-2200; 800-798-9556	OSP, LDR	6-30-92
Altru Health System Grand Forks ND 701-780-5000	LDR	7-28-99
America's Tele-Network Corp. Roswell GA 770-751-1820	LDR	11-5-97
AMERICAN BUSINESS ALLIANCE, INC. d/b/a Commercial Phone Group d- b-a ABA Group Savings Plan Kingston PA 717-283-9247	LDR	2-7-96
AMERICAN EXPRESS TELECOM, INC Atlanta GA 801-965-5400	OSP, LDR	9-6-95
American International Telephone, Inc. Purchase NY 914-251-1450	LDR	8-7-96
American Long Lines, Inc. Horsham PA 215-442-9050;	LDR	3-5-97

American Network Exchange, Inc. Orlando FL 407-246-6488; 800-784-4111; FAX-407-481-2560	OSP, LDR	3-11-94
American Tel Group, Inc. Albuquerque NM 800-828-8115	LDR	7-30-97
AMERICAN TELECOMMUNICATIONS ENTERPRISE, INC. Syracuse, NY 315-453-2323; FAX 315-453-1011	OSP, LDR	4-20-94
American Teletronics Long Distance, Inc. Chicago IL 312-372-7575	LDR	8-25-92
Americatel Corporation Miami FL 305-716-8700	LDR	2-25-98
Ameritech Communications International, Inc. Pleasanton CA 825-468-5128; FAX: 925-468-4660	OSP, LDR	8-28-96
AmeriTel Pay Phones, Inc. Lee's Summit MO 816-525-4151; FAX 816-525-3006	OSP, LDR	2-8-95
AMERIVISION COMMUNICATIONS INC. d/b/a LifeLine Communications Oklahoma City, OK 405-600-3500; FAX 405-600-3872	OSP, LDR	OSP 11-29-95 LDR 11-3-92
Arrival Communications, Inc. San Francisco CA 415-955-9023; 800-269-2949	LDR	3-15-00
Associated Network Partners, Inc. d/b/a ANP, Inc. Springfield IL 217-698-2700	OSP, LDR	6-11-97
Association Administrators, Inc. Smithtown NY 516-724-9600	LDR	4-30-97
ATCALL, INC Arlington VA 703-522-5252	LDR	11-22-95
Atlantic Telephone Company, Inc. Tampa FL 813-273-6789; 800-966-6950	LDR	2-10-99
ATLAS COMMUNICATIONS, LTD. Blue Bell PA 610-940-9040	LDR	11-22-95
AUTOMATED INFORMATION MANAGEMENT SYSTEMS, INC. Corporate Name: NORTHWEST COMMUNICATIONS, INC. Wilsonville OR 503-570-8140	LDR	9-25-96
BEK Communications Cooperative Steele ND 701-475-2361	LDC	12-13-88

BLT TECHNOLOGIES, INC. Vancouver WA 206-695-7000	OSP, LDR	3-20-96
Basin Telecommunications, Inc. Bismarck ND 701-223-0441	LDR	5-10-95
Bell Atlantic Communications, Inc. d/b/a Verizon Long Distance Arlington VA 703-526-3075; 800-621-9900	OSP, LDR	8-11-99
BellSouth Long Distance, Inc. Atlanta GA 770-352-3120; FAX 770-352-3200	LDR	1-15-97
Bethany Management Services, Inc. d/b/a Bethany Communication Services Fargo, ND 701-239-3000	LDR	5-19-92
Big Planet, Inc. Provo UT 801-345-7000	LDR	10-1-98
Blackstone Communications Company Miami FL 305-639-9590	LDR	4-29-99
Brittan Communications International Corporation Houston TX 713-659-8700	LDR	5-15-97
BroadWing Telecommunications, Inc. Austin TX 800-847-5705	LDR	1-26-00
BUDGET CALL LONG DISTANCE, INC. Rochester NY 716-777-8456	LDR	9-6-95
Business Discount Plan, Inc. Long Beach CA 714-798-7000	LDR	6-11-96
Business Options, Inc. Lansing IL 708-895-8788; FAX 708-895-8507	LDR	4-30-96
BUSINESS TELECOM, INC. d/b/a BTI Telecommunications Services Raleigh NC 919-510-7000	OSP, LDR	11-1-95
CEO Telecommunications, Inc., Norwalk CA 562-802-5884	LDR	9-8-99
CFW Communications Services Inc. Waynesboro VA 540-949-3424; FAX 540-942-7079	LDR	5-14-96
CRG International, Inc. Atlanta GA 770-980-0080	OSP, LDR	1-26-00
Cable & Wireless Global Card Services, Inc. Vienna VA 703-790-5300	LDR	6-3-98

Cable & Wireless USA, Inc. Vienna VA 703-734-4439; 800-646-8638	OSP, LDR	8-16-00
CALLING CARD INTERNATIONAL INC. New York NY 212-980-0900	LDR	11-19-97
CallManage, Inc. Stanford CT 203-351-0880; 800-458-2682	LDR	7-28-99
Call Plus, Inc. Irvine CA 714-476-8393	LDR	7-30-97
CapRock Telecommunications Corp. Dallas TX 972-788-4800	LDR	10-28-98
Capsule Communications, Inc. Bensalem PA 215-633-9400	LDR	3-29-0
Caribbean Telephone and Telegraph, Inc. d/b/a The Long-Distance Company Detroit MI 313-964-4340	OSP, LDR	11-22-95
Cash Back Rebates LD.com, Inc. Greenwich CT 203-869-5100; FAX 203-552-0908; 1-877-221-7900	LDR	4-12-00
Catholic Telecom Inc. Akron OH 330-535-0338	LDR	12-31-97
CenturyTel Long Distance, Inc. Monroe LA 318-388-9829; FAX 318-388-9602	LDR	3-3-99
Century Telecommunications, Inc. d/b/a CENTURY LONG DISTANCE d-b-a CENTURY OPERATOR SERVICES d/b/a CENTURY AREA LONG LINES San Marcos TX 512-353-1155; 800-324-4000; FAX 512-353-6678	OSP, LDR	10-18-95
Choctaw Communications, Inc. Dallas TX 214-424-1513; FAX 214-424-1510 kcallen@vartec.net	LDR	9-8-99
Cincinnati Bell Long Distance, Inc. Austin TX 78746 512-742-2665; FAX 512-328-7902 e-mail: larry.barnes@broadwing.com	OSP, LDR	6-26-96
CITIZENS TELECOMMUNICATIONS COMPANY d/b/a Citizens Telecom Salt Lake City UT 801-321-6602; FAX 801-322-0271	LDR	3-20-96
Citizens Telecommunications Company of North Dakota Dallas TX 203-614-5600	LDR	1-26-00
Claricom Networks, Inc. Milford CT 203-882-4545	OSP, LDR	1-28-98

Clear Call Telecom, LLC Rancho Santa Margarita CA 949-766-6190	LDR	7-6-00
Clear World Communications Corporation Santa Ana CA 800-750-7283; 714-445-3900	LDR	9-2-98
Coast International, Inc. Overland Park, KS 913-338-1212	LDR	2-20-91
Coleman Enterprises, Inc. St Paul MN 612-293-0113	LDR	8-13-97
Colorado River Communications Corp. Las Vegas NV 702-641-5177; 800-366-1148	OSP, LDR	12-11-96
Columbia Telecommunications, Inc. Baton Rouge LA 504-927-6815; 800-877-9666	LDR	1-12-00
Combined Billing Corporation Clearwater FL 800-355-9655	LDR	8-27-97
Comcast Telecommunications, Inc. King of Prussia PA 610-992-9777; 800-700-0484	LDR	5-5-98
Comdata Telecommunications Services, Inc. Brentwood TN 615-370-7000	LDR	3-20-96
Comm South Companies, Inc. Dallas TX 972-690-9955; 800-936-5223	LDR	6-20-00
Communications Billing, Inc. Rocky River OH 440-356-2501; FAX 440-356-3087	LDR	3-11-98
CommuniGroup of K.C., Inc. d/b/a CGI (provides a service called Great Plains Long Distance) Mission, KS 913-722-6005; 1-800-747-8000	LDR	1-18-94
Computer Telephone Corp. Waltham MA 781-466-8080	LDR	3-3-99
Concert Communications Sales LLC Reston VA 703-707-4000	LDR	5-12-99
ConnectAmerica, Inc. Naperville IL 630-505-0005	LDR	11-5-97
Connect!LD, Inc. Little Rock AR 501-401-7700; 877-200-5022	LDR	12-1-99
Consolidated Billing Provider, L.L.C Voorhees NJ 609-770-9858	LDR	11-18-98

Consolidated Communications Networks, Inc Dickinson ND 701-225-6061	LDR	2-19-97
Consumer Access, Inc. Houston Tx 713-626-1661	LDR	8-27-97
Convergent Communications, Inc. Bixby OK 918-660-0222	LDR	12-29-92
Convergent Communications Services, Inc. Englewood CO 303-749-3000	LDR	6-23-99
Corporate Billing Management, Inc. Maplewood MN 651-714-7970; 651-798-4254	LDR	10-20-99
Corporate Calling Services, Inc. Las Vegas NV 702-329-7721	LDR	11-18-98
Corporate Communications, Inc. Fargo ND 701-277-0011	LDR	7-30-97
Cybertel, Communications Corp. San Diego CA 858-646-7410; 800-645-5557	LDR	6-20-00
DCN, LLC Fargo ND 701-271-8225	LDC	5-28-97
D.D.D. Calling, Inc. Houston TX 713-626-1661	LDR	5-28-97
DIECA Communications, Inc. Santa Clara CA 408-844-7500; 1-888-462-6823	LDC	8-2-00
DSLnet Communications, LLC New Haven CT 203-772-1000	LDR LDC	7-28-99 8-11-99
DTG Communications, Inc. Irene, SD 605-263-3301; 800-239-7501; FAX 605-263-3995	OSP, LDR	11-19-97
Daktel Communications, LLC Carrington ND 701-652-3184	LDR	6-8-00
Dakota Central Telecommunications Cooperative Carrington ND 701-652-3184	LDC	12-13-88
DaveITel, Inc. Tampa FL 813-623-3545	OSP, LDR	10-1-98
Dickey Rural Services, Inc. Ellendale ND 701-349-3687	LDR	8-30-00
Digital Telecommunications Inc. Winona MN 507-452-2303; 877-742-5384	OSP, LDR	1-26-00

Discount Call Rating, Inc. d/b/a Flat Rate Long Distance, Inc. d/b/a Connect FREE Cedar Grove NJ 205-330-1701; 800-789-3443	LDR	9-25-97
Discount Network Services, Inc. Detroit MI 800-860-6001; FAX 800-860-4544; Customer Service 800-860-5080	LDR	1-19-97
Eagle Telecom, Inc. Philadelphia PA 215-755-3135; 800-207-2915	LDR	8-6-98
Eastern Telecommunications Incorporated Cedarhurst NY 516-239-5500; FAX 516-239-9290	LDR	5-14-96
EASTON TELECOM SERVICES INC. Richfield OH 800-222-8122; 216-659-6700; FAX 216-659-9379	LDR	8-7-96
Econophone, Inc. Brooklyn NY 718-437-8600	LDR	6-26-96
Efficacy Group, Inc. Greenville SC 864-675-1125; 888-233-3429	LDR	1-28-98
ELECTRIC LIGHTWAVE, INC. Vancouver, WA 360-892-1000	LDR	3-5-97
Elias Ventures, Inc. d/b/a American Freeway 100 Tulsa OK 918-632-7100	LDR	2-11-98
Enhanced Communications Group, L.L.C. Bartlesville OK 918-333-8833	LDR	5-10-00
Enhanced Communications Network, Inc. Hazlet NJ 732-751-1550	LDR	10-1-98
Enterprise Telcom Services, Inc. Blue Bell PA 610-940-1150	OSP, LDR	1-27-93
EqualNet Corporation Houston, TX 713-556-4600; 800-725-5575; FAX 713-556-4650	LDR	3-22-95
erbia Network, Inc. McLean VA 703-749-9745; 800-806-0039	LDR	4-14-99
Essential.com, Inc. Burlington MA 781-229-9599	LDR	4-26-00
EVulkan, Inc. Jersey City NJ 201-714-9943	LDR	6-8-00
Excel Telecommunications, Inc. Dallas, TX 214-863-8700; 800-875-9235; FAX 214-863-8721	LDR	12-20-89
ezTel Network Services, LLC Ridgeland MS 800-241-8067	LDR	2-23-00

FON Digital Network, Inc. Winter Park FL 407-702-2000	LDR	4-29-99
Farstad Oil, Inc. d/b/a DACOTAH MARKETING AND RESEARCH Minot ND 701-857-6399	LDR	11-29-95
Federal TransTel, Inc. d/b/a FIT Birmingham AL 800-933-6600	LDR	11-22-95
FirstWorld Communications, Inc. Greenwood Village CO 303-874-8010; 888-644-4357; FAX 303-874-2479	OSP LDR	10-28-98
Framco, Inc. Fargo ND 701-793-6565	LDC LDR	8-6-98 8-25-99
FreedomStarr Communications, Inc. Carlsbad, CA 760-476-4100; FAX 760-476-4199	LDR	6-20-00
FRONTIER COMMUNICATIONS INTERNATIONAL, INC. Rochester NY 716-777-8456	OSP, LDR	1-4-95
FRONTIER COMMUNICATIONS OF THE WEST, INC Rochester NY 716-777-8456	OSP, LDR	8-28-96
Funding Our Future LLC Corporate Name: Affinity Marketing Strategies LLC St Paul MN 612-696-5464	LDR	12-11-96
FURST GROUP, INC., THE Vincentown, NJ 609-268-8000; 1-800-818-4736 X4372	LDR	4-21-93
GE Capital Communication Services Corporation d/b/a GE Capital EXCHANGE Atlanta GA 770-644-7774; FAX 770-644-7752	LDR	8-4-93
GST Net, Inc. Vancouver WA 360-254-4700	LDR	5-28-97
GTC Telecom Costa Mesa CA 714-549-7700; 800-486-4030	LDR	4-14-99
GTE Communications Corporation Irving TX 972-887-4754	LDR OSP	11-5-97 11-19-97
GTN Corp. d/b/a Global Telecom Network Fort Lauderdale FL 305-491-7200	LDR	9-25-96
Gens Telesis Int'l, Inc. Encinitas CA 760-634-6532; 800-891-7037	LDR	11-18-98

Gerlach Enterprises, Inc. d/b/a G.C.I. Telecommunications West Fargo ND 701-281-2595	LDR	2-20-96
Global Crossing Telecommunications, Inc. Rochester NY 716-777-6105	LDR	2-23-00
GLOBAL RATE PROCESSING, INC. Irvine CA 714-424-6103; 800-965-9639	LDR	3-5-97
Global TeleMedia International, Inc. Atlanta GA 770-642-4888; FAX 770-642-4674	LDR	4-3-96
Global Tel*Link Corporation Mobile AL 205-479-4500	OSP, LDR	5-5-98
GLOBAL TELEPHONE CORPORATION dba Creative Networks, Inc Boston MA 617-267-5500; 800-600-8970	LDR	2-19-97
Globalcom, Inc. Chicago IL 312-885-8818	LDR	4-26-00
GlobalTel Resources, Inc. Seattle WA Corporate Name: Primecall, Inc. 800-607-0486	LDR	9-2-98
Glyphics Communications, Inc. Draper UT 801-365-0500; 801-233-0500	LDR	4-14-99
Go Solo Technologies, Inc. Sarasota FL 888-920-7656	LDR	8-30-00
GROUP LONG DISTANCE, INC. Atlanta GA 770-698-9200; FAX 770-698-9202	LDR	9-25-96
HJN Telecom, Inc. Duluth GA 770-291-2121; 800-345-22214	LDR	8-6-98
HI-RIM COMUNICATIONS, INC. Las Vegas NV 702-734-4898	LDR	1-15-97
Heartland NTC, Inc. Grand Forks ND 701-775-6190	LDR	2-10-93
Hertz Technologies, Inc. Washington D C 202-463-2505	LDR	8-25-92
HOME OWNERS LONG DISTANCE INCORPORATED San Antonio TX 210-525-8152; FAX 210-525-0637	LDR	5-28-97
HOSPITALITY COMMUNICATIONS CORPORATION Ventura CA 805-650-6461	OSP, LDR	2-17-94
Host Network, Inc. Beverly Hills CA 310-858-5700	LDR	5-29-96

Hotel Connect Management, Inc. Westminster CO 305-430-9200; 800-232-0440	OSP, LDR	1-26-00
ICG Telecom Group, Inc. Englewood CO 303-414-5000	LDR	9-2-98
IDT America, Corp. Hackensack NJ 201-928-1000	LDR	11-18-98
IDT Corporation Hackensack NJ 201-928-4485	LDR	10-18-94
I-Link Communications Inc. Phoenix AZ 602-222-9227; 800-890-6799; FAX 602-222-8751	LDR	12-31-96
IPVoice Communications, Inc. Phoenix AZ 602-335-1231; 800-556-2538	LDR	7-19-00
ITC^DeltaCom Communications, Inc. Huntsville AL 256-382-3856; FAX 256-382-3969	LDR	5-20-98
IdealDial Corporation d/b/a IdealDial Telecommunications, Inc. Denver CO 303-534-0300	LDR	9-20-95
IdeaOne Telecom Group LLC Enderlin ND	LDC	1-27-99
InaCom Communications, Inc. Omaha NE 402-392-3900	LDR	11-1-94
Incomnet Communications Corporation Irvine CA 714- 251-8000; FAX 714-251-8085	LDR	3-17-99
INDEPENDENT NETWORK SERVICES CORP. Corporate Name: TELSAVE CORPORATION Phoenix AZ 602-248-8495; 800-388-4542	OSP, LDR	12-11-96
InfoTelCom, LLC Corporate Name InfoTel Communications, LLC Baxter MN 218-825-7880	OSP, LDR	3-19-97
Inmark, Inc. d/b/a Preferred Billing St Paul MN 612-649-3575	LDR	1-15-97
Innovative Telecom Corporation Nashua NH 603-889-8411	LDR	5-29-96
Integra Telecom of Minnesota, Inc. Baxter MN 612-447-2000; 800-820-7880	OSP, LDR	12-1-99
Integra Telecom of North Dakota, Inc. Beaverton OR 503-748-2048	OSP, LDR LDC	5-10-00 7-19-00

Intelicom International Corporation Clearwater FL 813-797-9000	LDR	1-10-96
Intellicall Operator Services, Inc. d/b/a ILD Addison, TX 972-267-0100; FAX 972-267-0105	OSP, LDR	11-19-91
INTERCONTINENTAL COMMUNICATIONS GROUP, INC. d/b/a Fusion Telecom d/b/a Fusion-Trucker Phone Delray Beach FL 561-274-8044	OSP, LDR	12-11-96
Intermedia Communications, Inc. Tampa FL 813-829-2231; FAX 813-829-4923	OSP, LDR	12-11-96
International Exchange Communications, Inc. Burlingame CA 650-375-6700	LDR	1-13-98
INTERNATIONAL GATEWAY COMMUNICATIONS, INC. Alsip IL 800-377-0040	LDR	2-12-97
INTERNATIONAL TELCOM LTD Seattle WA 206-286-5252	LDR	8-28-96
International Telecommunications Corp. San Diego CA 619-280-6000	LDR	6-17-98
INTERNATIONAL TELEMAGEMENT GROUP, INC Lima OH 419-226-1071	LDR	5-17-94
Internet Telephone Company Irvine CA 714-245-1616	LDR	10-28-98
Ionex Communications North, Inc. Dallas TX 972-392-4601; FAX 972-392-0654	LDR	4-26-00
J D Services, Inc. Salt Lake City UT 801-972-4090	LDR	3-20-96
JirehCom, Inc. Washington IL 309-745-3216	LDR	5-25-00
Journey Telecom International, Inc. Van Nuys CA 818-902-5077; FAX 818-909-5801	LDR	9-25-97
KDD America, Inc. New York NY 212-702-3720	LDR	11-3-99
KEY COMMUNICATION MANAGEMENT, INC. Columbus OH 800-621-6363	LDR	3-22-95
LCI International Telecom Corp. McLean VA 703-714-1189; 800.296-0220; FAX 703-848-4404	OSP, LDR	2-17-94
LCI TELEMAGEMENT CORP. McLean VA 703-848-4400	LDR	8-16-95

LD Exchange.com, Inc. Santa Ana CA 949-622-4566; 888-435-7526	LDR	5-25-00
LDC Telecommunications, Inc Tarpon Springs FL 727-934-3433; FAX 727-934-0301	LDR	11-22-96
LDM SYSTEMS INC. New York NY 212-588-3668	OSP, LDR	2-22-95
Least Cost Routing, Inc. Santa Ana CA 714-285-9922; 714-560-8100	LDR	3-3-99
Legends Communications, Inc. Atlanta GA 770-956-9900	OSP, LDR	4-14-99
Level 3 Communications, LLC Louisville CO 303-926-3000; 402-342-2052	LDR	4-14-99
Lightyear Communications, Inc. Louisville KY 502-326-2875	OSP, LDR	7-19-00
Logix Communications Corporation Oklahoma City OK 405-516-8400; 888-391-8700; FAX 405-516-8270	LDR	6-9-99
Long Distance America, Inc. Ft Lauderdale FL 954-202-5100; 888-255-0889	LDR	12-16-98
Long Distance Consolidated Billing Co. Rochester MI 810-594-0440; FAX 810-594-0444	LDR	6-26-96
Long Distance Direct Holdings, Inc. Pearl River NY 914-620-0765	LDR	9-11-96
Long Distance of Michigan, Inc. Hamtramck MI 800-825-4545; FAX 800-350-5364	LDR	12-31-97
Long Distance Wholesale Club Arlington VA 800-875-9235; FAX 214-863-8721	LDR	6-11-96
MCI Worldcom Communications, Inc. Clinton MO 800-444-3333; 601-460-8600	OSP, LDR	9-22-99
MCI Worldcom Network Services, Inc. Clinton MS 601-460-8600; 800-444-3333	OSP, LDR	9-22-99
MTC TELEMAGEMENT CORPORATION Petaluma CA 707-762-9600	LDR	9-25-96
MVX.Com Communications, Inc. Navato CA 415-893-7180	LDR	10-20-99

MVX Communications LLC San Mateo CA 650-578-6700	LDR	4-22-98
McLeodUSA Telecommunications Services, Inc. Cedar Rapids IA 319-364-0000; FAX 319-298-7901	OSP, LDR	2-12-97
Main Street Telephone Company Villanova PA 888-820-9149	LDR	8-6-98
Matrix Telecom, Inc. Ft. Worth TX 817-581-9380	LDR	8-10-94
Maxcess, Inc. Orlando FL 407-513-7700; 888-609-9399; 850-513-1018 dfranklin@maxcess.net	LDR LDC	3-29-00 6-8-00
Maxxis Communications, Inc. Tucker GA 770-696-6343	LDR	3-17-99
Meridian Telecom Corporation Atlanta GA 404-869-6550; FAX 404-869-6336	LDR	2-12-97
MetroLink Communications, Inc. Chicago IL 800-910-3799; 312-551-3444; FAX 312-372-7706	OSP, LDR	8-7-96
Metromedia Fiber Network Services, Inc. White Plains NY 914-421-6700	LDC	7-19-00
Micro-Comm, Inc. Mobile AL 334-476-1000	LDR	8-27-97
Midcom, Inc. Minot, ND 701-852-1228	LDR	12-3-86
MIDCOM Communications Inc. d/b/a Mid-Com Communications, Inc. Southfield MI 248-945-3445; FAX 248-945-1904	LDR	8-16-95
Midcontinent Communications Corporate Name: Midco Communications, Inc. Sioux Falls SD 605-334-1200	LDR	6-17-98
Mid-Rivers Long Distance, Inc. Circle MT 406-485-3301	LDR	2-10-99
Mid-Tel LD, Inc. of Minot Minot, ND 701-852-1228	LDR	2-3-86
Minimum Rate Pricing Corporate Name: Parcel Consultants, Inc. Bloomfield NJ 201-338-1200	LDR	9-25-96
Minnesota Independent Equal Access Corporation Plymouth MN 612-542-4100	LDC	4-27-92
Minnesota Independent Interexchange Corporation Mayville ND	LDC	8-4-92

Minnesota Independent Interexchange Corp. Plymouth MN 612-542-4100	OSP, LDR	8-4-92
Miracle Communications, Inc. Adventura FL 305-937-2000	LDR	10-20-99
NOR Communications, Inc. Pompano Beach FL 954-943-7399	LDR	2-10-99
NOS Communications, Inc. Washington, D C 202-466-0706	LDR	6-2-92
NOSVA Limited Partnership Las Vegas NV 702-547-8000	LDR	10-1-98
NTCLD Network Services Cedar Grove NJ 973-857-4200	LDR	6-17-98
NXLD Company (d/b/a Nextel Long Distance) Reston VA 800-639-6111	LDR	5-5-98
NATIONAL ACCOUNTS INC. Parsippany NJ 201-472-5200; FAX 800-322-7902	LDR	3-1-94
Natel, L.L.C. Oklahoma City OK 405-858-0003; 888-916-2835	LDR	4-26-00
National Telecom, Inc. Las Vegas NV 702-735-1578	LDR	12-31-97
Nemont Communications, Inc. (d/b/a Nemont Long Distance) Scobey MT 406-783-5654	LDR	10-14-98
Nentel, Inc. Corporate Name: Northwest Communications, Inc. Wilsonville OR 503-570-8140; FAX 503-570-8119; 800-254-4165	LDR	1-29-97
Net2000 Group, Inc. Herndon VA 703-654-2029; 800-220-6382; FAX 703-561-5618	LDR	10-14-98
Net One International, Inc. Winter Park FL 407-679-5455	LDR	11-17-99
NET-tel Corporation Washington D C 202-295-6600	LDR	5-26-99
NeTel, Inc. Boca Raton FL 407-241-6166	LDR	6-21-95
Net Telecommunications, Inc. Las Vegas NV 702-734-1160	OSP, LDR	11-5-97

Netlojix Telecom, Inc. Santa Barbara CA 805-884-6300; FAX 805-884-6311 e-mail: smeinhart@netlojix.com	LDR	12-15-99
Network Billing Systems, L.L.C. Wayne NJ 973-256-2020	LDR	4-29-99
Network Communications International Corp Longview TX 903-757-4455	OSP, LDR	9-8-99
Network Enhanced Technologies, Inc. Los Angeles CA 310-979-3155	LDR	9-11-96
NetworkIP, L.L.C. Longview TX 903-323-4500; 877-638-7762	LDR	1-26-00
Network International, LC Rockville MD 800-980-0023; 301-948-1033	LDR	12-29-99
Network Operator Services, Inc. Longview TX 903-323-4500	OSP, LDR	12-3-97
Network Plus, Inc. Quincy MA 617-786-4000; 612-420-1100	LDR	11-1-95
Network Services, Inc. Norman, OK 405-447-2299; 800-800-3304	LDR	1-16-90
NewPath Holdings, Inc. Des Moines IA 515-276-3069	LDC	5-10-00
New Access Communications LLC Minneapolis MN 612-321-9717	LDR	8-30-00
New Century Telecom, Inc. McLean VA 800-711-1322	LDR	3-25-98
New Concept Communications, LLC Santa Barbara CA 805-957-1423	LDR	9-15-98
New Edge Network, Inc. Vancouver WA 360-693-9009	LDR LDC	2-9-00 3-29-00
New Millennium Communications Corp. Miami FL 305-379-5445	OSP, LDR	8-19-98
New Millennium ConQuest Service Corporation Miami FL 305-379-5445	OSP, LDR	12-2-98
NewSouth Communications Corp. Greenville SC 864-672-5000; 888-627-5080	OSP, LDR	4-12-00

Nextlink Long Distance Services, Inc. Bellevue WA 614-629-3200; FAX 614-629-3201	LDR	8-25-99
Norstan Network Services, Inc. Maple Grove, MN 612-420-1701	LDR	2-5-92
Norstar Communications Inc. Huntington Beach CA 714-379-0868	LDR	6-20-00
North American Telephone Network, L.L.C. Atlanta GA 404-255-9999	LDR	5-14-96
North Dakota Long Distance, LLC Devils Lake ND 701-662-7350; FAX 701-662-7955	LDR	12-31-96
North Dakota Network Co. Minot ND 701-858-1200	LDR	3-17-99
Nova Telecom, Inc. d/b/a B.E.L. EZ Pay Philadelphia PA 215-351-0120	LDR	1-28-98
NorLight, Inc. Brookfield WI 414-792-9700	LDR	9-20-95
NYNEX Long Distance Company d/b/a Verizon Enterprise Solutions Arlington VA 703-526-3356; FAX 703-526-3624	OSP, LDR	10-10-96
OLS, Inc. Alpharetta GA 770-569-9988	LDR	6-17-98
OU Connection, Inc. Ada MN 218-784-7171	OSP, LDR	6-21-95
OCen Communications, Inc. Irwindale CA 626-338-6611; 888-771-0758	LDR	8-16-00
Ohio American Telecom Systems, Inc. Corporate Name: American Telecommunications Systems, Inc. North Canton OH 330-490-2263	LDR	4-2-97
OneStar Long Distance, Inc. Evansville IN 812-437-7988; 800-482-0000; FAX 812-437-7795	LDR	2-10-99
One Call Communications Inc. Carmel, IN 317-843-1300; 800-876-1300; FAX 317-580-7496	OSP, LDR	7-16-91
One Tel Inc. Long Beach CA 562-308-1902	LDR	6-20-00
ONE TO ONE COMMUNICATIONS, INCORPORATED Mobile AL 334-479-9400; FAX 334-479-5999	OSP, LDR	11-1-94
Opcom, Inc. d/b/a WCS Communications Billings MT 406-245-7789 800-788-8950	OSP, LDR	1-28-98

Operator Communications, Inc. d/b/a ONCOR, COMMUNICATIONS, INC. (OCI) Dallas TX 214-902-3922; FAX 214-902-6586	OSP, LDR	11-23-93
Operator Service Company Lubbock, TX 806-747-2474; FAX 806-747-5047	OSP, LDR	12-29-92
OVERLOOK COMMUNICATIONS INTERNATIONAL CORPORATION Roswell GA 770-432-6800	LDR	6-11-96
Ozark Telecom, Inc., Camden SC 803-425-4001	LDR	9-8-99
PT-1 Long Distance, Inc. Flushing NY 718-939-9000	LDR	5-25-00
PAETEC Communications, Inc. Fairport NY 716-340-2500	LDR	3-17-99
PNG TELECOMMUNICATIONS INC. Cincinnati OH 513-942-7979	LDR	8-7-96
PAMCOMM Sioux Falls SD 605-336-1788	LDR	8-13-97
PNV.net, Inc. Coral Springs FL 954-745-7800; 800-347-1664	LDR	11-3-99
POPP TELCOM INCORPORATED Golden Valley, MN 612-797-7941	OSP, LDR	6-21-95
PT-1 Counsel Inc. New York NY 212-286-5000	LDR	8-2-00
Pathnet, Inc. Washington D C 202-625-7284	LDR LDC	2-23-00 5-10-00
Phoenix Network, Inc. Golden CO 303-215-5567; FAX 303-215-5616	LDR	5-5-92
PhoneTel Technologies, Inc. Cleveland OH 216-241-2555	OSP, LDR	7-1-98
Pilgrim Telephone Inc. Cambridge MA 617-225-7000	LDR	12-3-97
Polar Communications Corp. d/b/a PolarNet Communications Corp. Farmingdale NJ 908-919-1400; FAX 908-751-1530	OSP, LDR	4-20-94
Powercom Corporation Beaver Dam WI 920-887-3148, 800-444-4014	LDR	9-8-99
PowerNet Communications, Inc. Birmingham, AL 205-980-8526	LDR	5-4-94

PREFERRED CARRIER SERVICES, INC. Dallas TX 972-503-3388; FAX 972-503-3385	LDR	4-30-96
Preferred-telecom, Inc. Dallas TX 214-458-9950; FAX 214-726-1940	LDR	5-14-96
Premiercom, Inc. Elk Grove Village IL 847-545-9000	LDR	10-14-98
Premier Billing Services, Inc. Springfield IL 217-793-3500	LDR	10-6-93
PREMIERE COMMUNICATIONS, INC. Atlanta GA 404-237-2911	OSP, LDR	1-23-96
Pride America, Inc. Sarasota FL 941-924-5096; 888-774-3306	LDR	2-11-98
PRIMUS TELECOMMUNICATIONS, INC McLean VA 703-848-4625	LDR	10-18-95
Professional Communications Management Services, Inc. d/b/a PROCOM, Inc. Bruceton Mills WV 304-379-2238	OSP, LDR	8-28-96
Promis-Net International, Ltd. Snellville GA 770-985-7302	LDR	5-26-99
Promise Vision Technology, Inc. Oklahoma City OK 405-330-1070	LDR	5-25-00
Protel Advantage, Inc. St. Paul MN d/b/a Long Distance Savings Co. 612-489-7616	LDR	7-30-97
QAI, Inc. d/b/a Long Distance Billing St Paul MN 612-222-1501	LDR	12-13-95
QCC, INC. Overland Park KS 913-492-1230; FAX 913-492-1684	OSP, LDR	10-18-95
Quintelco, Inc. Pearl River NY 914-620-1212	LDR	7-16-97
Qwest Communications Corporation Arlington VA 703-363-4826; FAX 703-363-4404	OSP, LDR	LDR 8-16-95 OSP 7-30-97
RCC NETWORK, INC. Alexandria MN 320-762-2000; FAX 320-762-2030	LDR	10-23-96
RCN Long Distance Company Princeton NJ 609-734-3813; 800-746-4726	LDR	10-22-97
RDST, Inc. Irving TX 872-929-1920; 800-480-2006	LDR	4-29-99

RSL COM PrimeCall, Inc. New York NY 212-588-3668	LDR	11-18-98
RSL Com USA Uniondale NY 516-465-7000	LDR	4-8-98
RapTel Communications, LLC Rochester MN 507-252-1484; 507-292-5959	LDR	5-25-00
Reliance Telephone Systems of East Grand Forks Incorporated E. Grand Forks, MN 218-773-7553	OSP, LDR	6-12-90
Remo Enterprise, Inc. Detroit MI 313-387-7570; 810-967-0425	LDR	4-22-98
SBR, Inc. Eden Prairie MN 612-829-1020; 800-317-4509	LDR	11-5-97
SNET America, Inc. North Haven CT 800-808-7638	LDR	9-20-95
ST LONG DISTANCE, INC. Sarasota FL 941-378-3532	LDR	4-30-97
Satellink Paging, LLC Roswell GA 770-625-2599	LDR	3-25-98
SHARED COMMUNICATIONS SERVICES, INC. Salem OR 503-399-7000	OSP, LDR	LDR 12-11-96 OSP 5-15-97
ServiSense.com, Inc. Newton MA 617-848-8000; 888-483-3600	LDR	7-19-00
Siesta Telecom, Inc. Sarasota FL 941-342-1712; 800-720-5114	LDR	4-26-00
Single Billing Services, Inc. El Monte CA 602-595-7974	LDR	8-6-98
Skyland Technologies, Inc. Helena MT 406-443-1940	LDR	5-20-98
Small Business Billing, Inc. South St. Paul MN 651-714-7970; 651-798-4254	LDR	10-20-99
SmartStop, Inc. Portland OR 503-296-7000; Toll Free 87-SMARTSTOP FAX 503-672-5161	LDR	7-15-98
Souris River Telecommunications Company Minot ND 701-852-1151	LDR	6-2-92
SouthNet Telecomm Services, Inc. Smyrna GA 770-937-9550; 800-787-3221	LDR	4-29-99

Southwestern Bell Communications Services, Inc. d/b/a Southwestern Bell Long Distance; d/b/a Nevada Bell Long Distance; d/b/a Pacific Bell Long Distance; d/b/a SBC Long Distance Pleasanton CA 510-468-5130	LDR OSP	7-30-97 12-29-99
Special Accounts Billing Group, Inc. Inverness IL 847-359-0462	LDR	12-16-98
Speer Communications Virtual Media, Inc. Nashville TN 615-650-6600	LDR	2-17-99
SPEER VIRTUAL MEDIA LIMITED PARTNERSHIP St. Petersburg FL 727-572-9300; FAX 615-650-6601	LDR	7-16-97
Sprint Communications Company L. P. d/b/a US Sprint Communications Limited Partnership Kansas City MO 913-624-4241; FAX 913-624-5681	LDC OSP LDR	7-31-89 7-21-92 9-21-94
STARLINK COMMUNICATIONS, LLC San Francisco CA 415-869-3850; FAX 415-869-3700	LDR	12-13-95
Sterling Telecommunications Incorporated Beverly Hills CA 310-289-6600; 800-818-7000	LDR	1-28-98
Sterling Time Company Miami FL 888-367-8591	LDR	12-29-99
Stormtel, Inc. Clearwater FL 941-935-2335	LDR	6-9-99
Strategic Telecom Systems, Inc Knoxville TN 423-584-4460	LDR	5-28-97
T-Netix, Inc. Englewood CO 303-790-9111	OSP, LDR	8-27-97
TON Services, Inc. Ogden UT 801-334-4500	LDR	11-3-99
Tri-M Communications, Inc. Santa Barbara CA 805-965-8620; 888-965-8620	LDR	8-19-98
TTI National, Inc. Clinton MS 601-360-8600	LDR	6-11-96
T.P.C. INC. d-b-a NORTH DAKOTA TELEPHONE COMPANY Devils Lake ND 701-662-1700	LDR	12-27-95
Talk.com Holding Corp. New Hope PA 215-862-1803	LDR	9-8-99
TARGET TELECOM INCORPORATED Wayne NJ 201-256-1600	LDR	4-26-95
TELCO PARTNERS, INC. Blue Bell PA 610-940-9040; 888-305-3141	LDR	2-19-97

Telec, Inc. Atlanta GA FAX 770-698-9202	LDR	12-11-96
Telecare, Inc. Noblesville, IN 317-776-7654	LDR	11-3-92
TeleCents Communications, Inc. Walled Lake MI 248-366-7777; 800-899-8555	LDR	4-26-00
Telecom Resources, Inc. Dallas TX 972-392-4601; FAX 972-392-0654	LDR	4-8-98
Telecommunications Resources Inc. Liberty MO 816-792-0033; FAX 816-792-0417	LDR	5-15-
Teleconnect Long Distance Services & Systems Company Chicago IL 312-856-2121	OSP, LDR	3-8-88
Telecorp, LTD Hewlett NY 516-569-5000; 800-742-3220	LDR	10-28-98
Teleglobe Business Solutions Inc. Chantilly VA 703-633-2634; 703-802-5373	OSP, LDR	2-23-00
Teleglobe USA, Inc. Reston VA 703-755-2389; 800-318-3005; FAX 703-755-2619	LDR	1-27-99
TeleHub Network Services Corporation Gurnee IL 847-782-4847; FAX 847-623-1717	OSP, LDR	1-28-98
Telephone Company of Central Florida, Inc. Lake Mary FL 407-328-5002	LDR	7-30-97
Tele-Pro Communications, Inc. Dallas TX	LDR	6-23-93
Telera Communications, Inc. Campbell CA 408-626-6852	LDR	8-30-00
Tele-Tech, Inc. Sioux Falls SD 605-335-3660	LDR	6-11-96
Teligent Services, Inc. Vienna VA 703-762-5100; 888-206-4488-	LDR	6-20-00
TELNET Communications, Inc. Lakewood CO	LDR	4-7-92
Telnet of Dickinson, Inc. Dickinson, ND 701-225-9608	LDR	12-3-86
TelQuest Communications, Inc. Huntington Beach CA 714-903-8703	LDR	12-16-98
Telscape USA, Inc. Houston TX 713-968-1968; 800-382-9756	LDR	10-10-96

Teltrust Communications Services, Inc. Salt Lake City, UT 801-535-2000; FAX 801-733-3424; 800-530-3222	OSP, LDR	12-21-94
TelVue Corporation Mt. Laurel, NJ 609-273-8888; FAX 609-866-7411	LDR	3-7-89
THE FARM BUREAU CONNECTION Corporate Name : American Farm Bureau Inc. Park Ridge IL 312-339-5700	LDR	10-10-96
The Free Network, L.L.C. Troy MI 248-526-1000	LDR	3-31-99
The Phonco, Inc. d/b/a Network Services Long Distance Trevoise PA 215-244-4334; 800-608-0577	LDR	1-29-97
TotalAcess.com, Inc. Oakland CA 510-286-8700; 888-847-6878	LDR	4-12-00
TotalTel, Inc. Little Falls NJ 201-812-1100	LDR	12-31-97
TotalTel USA Communications, Inc. Little Falls NJ 800-864-4000	LDR	10-18-94
Touch America, Inc. Missoula MT 406-523-3600; 800-823-4664	LDR OSP LDC	4-15-97 4-12-00 6-8-00
Touch America Services, Inc. Denver CO 303-992-1400	OSP, LDR	7-6-00
TOUCH 1 COMMUNICATIONS, INC. Atmore AL 334-368-8600; FAX 334-368-1778	LDR	10-5-94
Touch 1 Long Distance, Inc. Atmore AL 334-368-8600	LDR	12-13-95
Touchtone Network, Inc. Denver CO 303-293-0023; FAX 303-293-0017	LDR	11-22-94
Trans-National Communications Inc. d/b/a Members Long Distance Advantage Washington, D C 202-342-5200	LDR	8-25-92
Trans National Communications International, Inc. Boston MA 617-369-1000; 800-800-8400	LDR	10-20-99
Transcommunications Incorporated Chattanooga TN 423-954-9961	LDR	3-19-97
TransNet Connect, Inc. Tampa FL 813-254-8726	LDR	9-8-99

TransWorld Network, Corp. Tampa Bay FL 813-287-1795; 800-253-0665	OSP, LDR	12-1-99
TresCom U.S.A., Inc. Ft Lauderdale FL 954-763-4000; FAX 954-627-6472	OSP, LDR	5-14-96
Twister Communications Network, Inc. Conroe TX 801-365-0500; 409-756-6089	LDR	10-20-99
UKI Communications, Inc. Las Vegas NV 702-221-1933; 202-973-2890	LDR	2-23-00
USA Tele Corp. Pompano Beach FL 954-463-7900	LDR	8-13-97
USBG, INC. Alsip IL 708-389-3200; FAX 708-489-0206	LDR	7-30-97
USLD Communications, Inc. Arlington VA 703-363-4826; FAX 703-363-4404	OSP, LDR	3-11-98
U.S. Link, Inc. Pequot Lakes, MN 218-568-4000	OSP, LDR	5-5-92
U.S. Network Services, Inc. Seattle WA 206-505-5500; 877-659-6742	LDR	9-15-98
U.S. Operators, Inc. San Antonio TX 210-402-5301; 800-890-0080	OSP	1-27-99
U.S. South Communications, Inc. Atlanta GA 404-614-0014	LDR	9-10-97
U S WEST Communications, Inc. Bismarck ND 701- 222-6952	LDC (IntraLATA)	
U S WEST Interprise America, Inc. Denver CO 303-293-6326; 303 896-6118	LDR	3-5-97
United Communications HUB, Inc. Pasadena CA 626-683-8383; 800-862-9970	LDR	4-12-00
United States Advanced Network, Inc. Norcross GA 770-729-1449	OSP, LDR	3-31-99
Uni-Tel Communications Group, Inc. Naperville IL 630-579-0058	LDR	7-19-00
Univance Telecommunications, Inc, Englewood CO 3033-708-1000; 800-280-6300	LDR	12-29-99

Universal Access, Inc. Chicago IL 312-660-5000	LDR LDC	1-12-00 6-8-00

Universal Network Services of North Dakota, Inc. d/b/a Uni-Net of North Dakota, Inc. Newport Beach CA 714-752-1101	LDR	2-22-95
University of North Dakota Grand Forks, ND 701-777-3756	LDR	12-23-86
Utility.com, Inc. Emeryville CA 510-740-1700	LDR	8-2-00
V.I.P. Telephone Network, Inc. Timonium MD 410-560-6600	LDR	1-10-96
VAL-ED Joint Venture, L.L.P. Moorhead MN 218-346-8555; 218-384-5702	OSP, LDR	4-12-00
Value-Added Communications, Inc. Plano TX	OSP, LDR	6-2-92
Value Tel, Inc. Naperville IL 630-505-0005	LDR	3-19-97
VarTec National, Inc. d/b/a VarTec Telecom, Inc., d/b/a Clear Choice Communications Dallas TX 214-424-1513; FAX 214-424-1510 kcallen@vartec.net	LDR	4-21-92
Venture Communications, Inc. 605-852-2224; 1-800-824-7282	LDC	2-17-99
Viatel Services, Inc. New York NY	LDR	3-15-00
VISTA GROUP INTERNATIONAL, INC. Westlake OH 800-701-6000	LDR	6-11-97
VoCall communications Corp. Mountainside NJ 908-301-0090; FAX 908-301-0087	LDR	12-31-97
W2COM International, LLC Dayton OH 937-415-1100	LDR	1-12-00
WATS-800, Inc. Orlando FL 407-658-5800	LDR	9-24-91
WATS INTERNATIONAL CORPORATION Kalamazoo, MI 616-381-8844	LDR	6-1-94
WWC Holding Co., Inc. Bellevue WA 452-586-8056	LDR	4-14-99
WebNet Communications, Inc. Washington D C 800-922-9545	LDR	5-10-00

Western Tele-Communications, Inc./Retail Sales Group Englewood CO 303-267-5699; 800-888-9824	LDR	4-22-98

Westinghouse Electric Corporation d/b/a Westinghouse Communications Pittsburgh PA 412-244-6600	LDR	5-23-95
West River Long Distance Co. Hazen ND 701-748-2211	LDR	6-21-95
Western CLEC Corporation Bellevue WA 425-586-8700	LDR	4-26-00
Williams Communications, Inc. Tulsa OK 918-573-6000; 302-777-0247	OSP, LDR	2-10-99
Winstar Wireless, Inc. New York NY 888-961-8800	LDR	4-8-98
Working Assets Funding Service, Inc. d/b/a Working Assets Long Distance San Francisco CA 415-369-2084	LDR	12-17-91
World Link Communications, Inc. Atlanta GA 770-455-4007; 800-546-1778	LDR	11-27-96
WorldCom Network Services, Inc. Austin TX 512-328-2566	OSP, LDR	6-7-95
WorldTel Services, Inc. Irvine CA 714-727-0300	LDR	5-12-93
XIEX Telecommunications, Inc. Houston TX	LDR	4-26-95
Xtracom, Inc. Chicago IL 312-243-8660	LDR	4-3-96
Z-Tel Communications, Inc. Tampa FL 813-273-6261	LDR	4-14-99
Zenex Long Distance, Inc. Oklahoma City OK 405-749-9999; 800-890-2990; FAX 405-749-9929	LDR	4-30-96

PU-2410-00-527

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>A. Received by (Please Print Clearly) <i>Shirley</i></p> <p>C. Signature <i>Shirley</i></p> </div> <div style="width: 35%;"> <p>B. Date of Delivery <i>10/30/00</i></p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> </div> </div> <p>D. Is delivery address different from item 1? <input type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><i>Julie R Hawkins</i> <i>360 networks (TBA) inc</i> <i>143 Union Blvd Ste 300</i> <i>Rakewood Co 80228</i></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Copy from service label)</p> <p><i>7099 3400 0014 4513 7337</i></p>	
<p>PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789</p>	

PU-2410-00-527; PU-2410-00-534

SENDER: COMPLETE THIS SECTION	COMPLETE THIS SECTION ON DELIVERY
<ul style="list-style-type: none"> ■ Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired. ■ Print your name and address on the reverse so that we can return the card to you. ■ Attach this card to the back of the mailpiece, or on the front if space permits. 	<div style="display: flex; justify-content: space-between;"> <div style="width: 60%;"> <p>A. Received by (Please Print Clearly)</p> <p>C. Signature <i>Julie R Hawkins</i></p> </div> <div style="width: 35%;"> <p>B. Date of Delivery</p> <p><input type="checkbox"/> Agent <input type="checkbox"/> Addressee</p> </div> </div> <p>D. Is delivery address different from item 1? <input checked="" type="checkbox"/> Yes If YES, enter delivery address below: <input type="checkbox"/> No</p>
<p>1. Article Addressed to:</p> <p><i>Julie R Hawkins</i> <i>360 networks (TBA) inc</i> <i>143 Union Blvd Ste 300</i> <i>Rakewood Co 80228</i></p>	<p>3. Service Type</p> <p><input checked="" type="checkbox"/> Certified Mail <input type="checkbox"/> Express Mail <input type="checkbox"/> Registered <input type="checkbox"/> Return Receipt for Merchandise <input type="checkbox"/> Insured Mail <input type="checkbox"/> C.O.D.</p> <p>4. Restricted Delivery? (Extra Fee) <input type="checkbox"/> Yes</p>
<p>2. Article Number (Copy from service label)</p> <p><i>7000 0520 0022 8653 2952</i></p>	
<p>PS Form 3811, July 1999 Domestic Return Receipt 102595-99-M-1789</p>	